



The **GTM**
GREATER TUBATSE
MUNICIPALITY

South Africa's first democratic platinum city

BUDGET

2009/2010

GREATER TUBATSE MUNICIPALITY

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GREATER TUBATSE MUNICIPALITY

GENERAL INFORMATION

REQUEST FOR PRIMARY BANKING ACCOUNT OF THE MUNICIPALITY	
Name of Municipality: <u>GREATER TUBATSE MUNICIPALITY</u> Municipal Demarcation Code: <u>NPO 3A6</u> Post Box/ Private Bag: <u>PO BOX 206</u> City: <u>BURGERSFORT</u> Postal Code: <u>1150</u> Street: <u>CORNER KORT & EDDIE SEDIBE STREETS</u> Suburb: _____ City: <u>BURGERSFORT</u> Code: <u>1150</u> Telephone Number: <u>013 231 7815</u> Facsimile Number: <u>013 231 7467</u>	Municipal Manager Name and Surname: <u>MR. SPS MALEPENG</u> Telephone Number: <u>013 231 7815</u> Facsimile Number: <u>013 231 7467</u> Mobile Phone Number: <u>082 921 9982</u> E-Mail Address: <u>spmalepeng@tubatse.co.za</u> Chief Financial Officer/ Head/Director of Finance Name and Surname: <u>MR. LM MOKWENA</u> Telephone Number: <u>013 231 7815</u> Facsimile Number: <u>013 231 7467</u> Mobile Phone Number: <u>083 418 0247</u> E-Mail Address: <u>lmokwena@tubatse.co.za</u>
Primary banking account of the municipality Account Name: <u>GREATER TUBATSE MUNICIPALITY</u> Account Number: <u>56550022466</u> Name of Bank: <u>FIRST NATIONAL BANK</u> Name of Branch: <u>BURGERSFORT</u> Branch Code: <u>270 651</u>	<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> DATE STAMP OF BANK <div style="border: 1px solid black; padding: 5px; text-align: center;"> BURGERSFORT RECEIVED 23 JUN 2009 270 - 651 </div> </div> <div style="width: 50%;"> FOR COMPLETION BY BANK MANAGER Name: <u>Patrick M-Mbatwa</u> ID No: <u>6002026230086</u> Signature: </div> </div>
<p><small>This part should only be filled in by the Municipal Manager or the Chief Financial Officer.</small></p> <p><u>Lesley Mphahlela Mokwena</u> certify that the information supplied is the correct primary banking account of this municipal:</p> <p>Signature: _____</p> <p>Designation: <u>CEO</u></p> <p>Date: <u>23/06/2009</u></p>	<p>PS: Even if the form has been faxed, the original should still be forwarded. Please complete this form and return it duly signed for the attention of:</p> <p>The Chief Director Local Government National Treasury Private Bag X115 PRETORIA 0001</p> <p>Telephone: (012) 315 5850 Facsimile: (012) 315-5230</p>

GREATER TUBATSE MUNICIPALITY

GENERAL INFORMATION

I. MEMBERS OF THE EXECUTIVE COMMITTEE

(i)	Cllr. MAMEKOA R.S	Mayor	
(ii)	Cllr. PHALA H.L	Portfolio Head	- Finance
(iii)	Cllr. MANAMELA M.M	Portfolio Head	- Technical
(iv)	Cllr. MOTENE P.P	Portfolio Head	- Economic and Land Development
(v)	Cllr. PHOLWANE MB	Portfolio Head	- Corporate Services
(vi)	Cllr. SEKGOBELA S.R.	Portfolio Head	- Community Services
(vii)	Cllr. MOHLALA PA	Portfolio Head	- Strategic Planning
(viii)	Cllr. MOLAPO C.E	Deputy Portfolio Head	- Finance
(ix)	Cllr. NGWANE A	Deputy Portfolio Head	- Community Services
(X)	Cllr. MOSHWANA C	Deputy Portfolio Head	- Strategic Planning

II. REGISTERED OFFICE

The Greater Tubatse Municipality
P O BOX 206
BURGERSFORT
1150

TELEPHONE NUMBER
FAX NUMBER

013 231 7815
013 231 7467

CIVIC CENTRE
cnr EDDIE SEDIBE & KORT STR
BURGERSFORT
1150

III. CONTACTS

MUNICIPAL MANAGER

MR S P S MALEPENG

E-mail : spmalepeng@tubatse.co.za

Cell: 082 921 9982

CHIEF FINANCE OFFICER

MR L M MOKWENA

E-mail: lmokwena@tubatse.co.za

Cell : 083 418 0247

IV. BANKERS

FIRST NATIONAL BANK
P O BOX 401
BURGERSFORT
1150

Prove of Primary Bank Account - See attached

GREATER TUBATSE MUNICIPALITY

SUBMISSION

-433-



SUBMISSION

Submission To	:	Municipal Council
From	:	Executive Committee
Date of Meeting	:	01 April 2009
Item No	:	SA08/2009
Title / Subject	:	Draft Budget for 2009/2010 – 2011/2012
Ref / Commitment No	:	Special Meeting

SA08/2009 Draft Budget for 2009/2010 – 2011/2012

1. Purpose

To submit the **Draft Budget for 2009/2010 – 2011/2012** to ExCo for consideration and approval for public participation. In terms of Section 16 of the MFMA the municipality must for each year approve an annual budget for the municipality before the start of that financial year. ***Sec 16 further make amongst others the following provision(s).***

☐ ...mayor must table the annual budget at council meeting at least 90 days before start of financial year....

2. Discussion

2.1 Legal Requirements

The report has been compiled in accordance with the Local Government: Municipal Finance Management Act (MFMA), Act no 56 of 2003 and National Treasury Circulars as set out below.

- ☐ MFMA Circular No 12 dated 31 Jan 05 – Definition of a "Vote" in MFMA.
- ☐ MFMA Circular No 13 dated 31 Jan 05 – Service Delivery and Budget Implementation.
- ☐ MFMA Circular No 28 dated 12 Dec 2005 – Content and Format
- ☐ MFMA Circular No 30 dated 15 February 2006 – Division of Revenue Bill
- ☐ MFMA Circular No 31 dated 10 Mar 2006 – Tabling and Adoption.
- ☐ MFMA Circular No 41 dated 31 January 2007 – MTREF Budget Circular 2007/2008
- ☐ MFMA Circular No 42 dated 30 March 2007 – Funding a Municipal Budget
- ☐ MFMA Gazette No 31804 dated 23 January 2009 – Municipal Budget and Reporting Regulation
- ☐ MFMA Circular No 48 dated 02 March 2009 – Municipal Budget

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2.2 Strategic Focus Areas and Municipal Priority Issues

Municipal budgets must reflect policy priorities determined by Councillors who are the representatives of the community. It is essential that the Municipality by means of the IDP planning process identify the strategic focus areas and prioritise strategic issues.

The detailed report on the budget priorities is hereto attached

3. Summary

Summary of the Operational and Capital Expenditure attached as **Annexure 2** of the budget.

Capital Budget to be read in conjunction with the Service Delivery Projects in the IDP.


4. Organisational and Personnel Implications

Draft budget, applicable proposed tariffs and related policies to be circulated for public participation by all the municipal stakeholders prior council approval for implementation

5. Financial Implications

None for the current financial year

6. Communications Implications

- public participation meeting dates to be indicated shortly
 - final approved budget to be tabled during the Mayor's budget speech (date to be announced shortly)
- 


7. Recommendations

1. that Council note and approve the draft budget 2009/2010 – 2011/2012 for public participation, together with :

- | | |
|---------------------------------|-----------------|
| • Applicable Rates and Tariffs | - Annexure 5(A) |
| • Revised Property Rates Policy | - Annexure 5(B) |
| • Revised Credit Control Policy | - Annexure 5(C) |

8. Contact Person

S P S Malepeng



S P S Malepeng
Municipal Manager


AGENDA (5TH SCM 01.04.09)
Draft Budget : 2009 – 2012

31/03/09
Date

GREATER TUBATSE MUNICIPALITY

RESOLUTIONS

LC (GTM) RESOLUTIONS	FILE NO. S																
TOWN	MEET NR	S C M	0	6	2009	TAKEN ON	3	0	0	5	2	0	0	9	ITEM	SA19	2009
JOB DISPOSAL	FOR INFORMATION																
	MUNICIPAL MANAGER																
	DIRECTOR : TECHNICAL SERVICES																
	CHIEF FINANCIAL OFFICER																
	DIRECTOR : CORPORATE SERVICES																
	DIRECTOR : COMMUNITY SERVICES																
	DIRECTOR : EXECUTIVE SUPPORT																
	DIRECTOR : ECONOMIC & LAND DEVELOPMENT																
	DIRECTOR : STRATEGIC PLANNING																
SUBJECT																	
NR : SA19/2009	RESOLUTION : Final Budget for 2009/2010 – 2011																
Resolved																	
BUDGET																	
<p>1. that the Council has approved the final budget for 2009/2010 – 2011;</p> <p>2. that the Council has approved the budget with the following related policies :</p> <p style="margin-left: 40px;">2.1) summary of operational budget 2009/2010;</p> <p style="margin-left: 40px;">2.2) tariffs 2009/2010;</p> <p style="margin-left: 40px;">2.3) property rates policy;</p> <p style="margin-left: 40px;">2.4) principles and policy on credit control and debt collection.</p> <p>3. that the council has approved budget with the following comments under Revenue, Expenditure and Capital Budget:</p>																	
REVENUE																	
<p>3.1 that the Council has resolved that ELD must provide a report on the implementation of outdoor advertising in less than 12 months;</p> <p>3.2 that Finance will submit the write-off on property rates for Mecklenburg;</p> <p>3.3 that (Community Services) in particular traffic Unit should continue using the service provider for cameras and must consider other reasonable options in future;</p> <p>3.4 that the municipality must emphasise improvement on own revenue rather than depending on grants or equitable shares.</p>																	



to be continued on pg 2

SA19/2009

4 EXPENDITURE

- 4.1 that the Council has resolved that labour costs should be maintained at an affordable and sustainable level,
- 4.2 that the general costs be maintained at sustainable levels, the municipality should devise a saving mechanism to keep general costs at an affordable level;
- 4.3 that the policy on Magoshi allowances be reviewed to cater for the economic inflation rate;
- 4.4 that the security costs should be kept at the reasonable cost/should be looked at by administration;
- 4.5 that the Council has resolved that Corporate Services should investigate the authenticity use of Consultants/service providers and submit a report to advise Council on how to minimise cost(s) effectively.

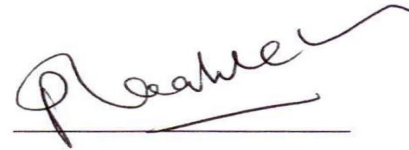
5 CAPITAL BUDGET

- 5.1 that the capital budget should take into account of unforeseen projects besides projects budgeted on the current financial year and forthcoming years;
- 5.2 that community projects such as halls should be linked to rural areas.

Date :

17/06/09

Municipal Manager :





South Africa's first democratic platinum city

**BUDGET SPEECH
TO BE DELIVERED BY THE MAYOR OF
GREATER TUBATSE MUNICIPALITY,
CLLR. RALEPANE MAMEKOA
AT THE SPECIAL COUNCIL SITTING ON THE
30TH MAY 2009 (SATURDAY) AT 11:00**

Madame Speaker
Members of the Executive Committee
Chief Whip
Councilors
Magoši
Members of Ward Committees and the other committees
Distinguished guests
Ladies and gentlemen

Thobela!

It is an honour for me to present the IDP and budget for 2009-2010 financial years. We have seen our budget growing from strength to strength and service projects increasing on annual basis, since the establishment of Municipalities in 2000. This growth indicates the growth of bettering the lives of all through the provision of service delivery.

The 2009/2010 budget presentation comes a month after this country held successful elections whereby this country experienced a high voter turnout. The voter turnout indicates the value attached by the people to the right to vote and the constitutional in a democratic way to change or renew government's mandate.

We would like to congratulate the newly elected leadership in all spheres of government. The elections outcome brought a new leadership in government, which resulted in new approach of handling issues of service delivery. We are positive and hopeful that the new leadership will assist in fast tracking service delivery projects which will directly improve the lives of the people.

Madame Speaker, allow me to appreciate the co-operation the municipality has with the community. The co-operation is being witnessed during Executive Council Community Outreach and the Imbizo's. The latest one was during the IDP Consultative meetings whereby our community members honoured Municipal invitation by attending those meetings, they participated fully with an understanding and they were optimistic about the processes and the progress made. They clearly showed that they support the Municipal Council which is moving in the right direction. I would like to assure them that their contributions and wishes were taken into consideration during the finalization stage of the Integrated Development Plan – IDP.

Madame Speaker, today, I am humbled to represent this Council in bringing to our people the budget that endeavors to bring better live for all.

HIGHLIGHTS FOR 2008/09 FINANCIAL YEAR

On the financial side for 2008/09 the municipality has produced an improved performance in terms of the set programs and other commitments that were planned for the 2008/09 financial year. On the operational side, we have up to date spent 95% of the 2008/09 budget on the planned activities as per municipality's approved Service Delivery and Budget Implementation Plan. We are proud to announce among other the following achievable milestones.

- Continuous capacity building of ward councilors and ward committees, which has strengthen the relationship between the municipality and the communities on service delivery issues
- Continuous delivery of Free Basic Electricity to our needy households
- Successful piloting of the Free Alternative Basic Energy, which will in future assist the Municipality in developing strategy to benefit needy households with free alternative energy in areas that do not have electricity
- Enhanced Public Participation programmes that assist in taking the Municipality closer to the people and improving accessibility of the Municipality to the communities. In the past years the Municipality has successfully held Imbizos in various communities around the municipality maintaining continuous interaction with the masses to register and address their concerns.
- The negotiations are at an advanced stage with SENTECH regarding accessibility of cellphones, radio and television signals. This means the community of Tubatse as a whole will be able to access radio stations, television channels without satellite dish and cellphones in the near future.

On the service delivery mandate, we are proud to announce the following achievements:

- During the Greater Sekhukhune District Municipal Mayor's Excellence Awards, our Municipality was named 'THE BEST PERFORMING MUNICIPALITY IN SEKHUKHUNE', that itself indicates a growth and that our Municipality is moving in the right direction towards improving the lives of the community.
- Our Municipality successfully established a Public Works Unit, and an implementation programme has since been developed to ensure that all rural roads in Tubatse are maintained.
- Madam Speaker, the Municipality has been able to spend hundred percent of the Municipal Infrastructure Grant from the National Government by the end of March 2008. With the additional own funding, we were able to start with the project of tarring 2,5 kilometers of Praktiseer internal streets, extend Praktiseer road by paving 800m of road and improving Burgersfort internal streets. We are on course to complete all our infrastructure projects before the end of July 2008. This is continuous effort to develop the Municipality's growth points so as to sustain their economic viability

- The projects of building of community halls in Driekop and Ga-Mokgotho are going on well and will be completed in the next financial year.
- The building of small access bridges at Ga-Malekane, Taung, Mapareng and Ga-Madiseng respectively will be completed soon. Some projects are at an advanced stage while other will start soon as site has been identified.
- One of the Municipal's objectives is job creation. I'm proud Madame Speaker, to announce that the projects mentioned above managed to create jobs for locals. One hundred and thirty eight community members secured job, Fifty-four (54) Men, thirty (30) Women, Thirty-One (31) male youth and Twenty-three (23) female youth

Obviously the above success highlights came with the equally challenging issues that the Municipality had to deal with in the 2008/09 financial year. Without celebrating these challenges Madam Speaker, allow me just to mention the most important ones, in so doing affording our community an opportunity to keep track of the municipality's work plan to address these drawbacks.

- Low level of services payments by the ratepayers posed very challenging times for us, and is creating difficulties to the Municipality to perform some of its duties and achieving its objectives of rendering service delivery to the community. But, we are also making concerted effort to adequately and timeously address the community highlighted issues regarding adequacy of services rendered, which hinders the willingness and the attitude of our people to service their accounts. We had no choice but to engage external debt management specialist to assist in collecting debt. Though there are challenges, our collection rate for services is steadily improving and we are hopeful that it will continue improving.
- The delivery of water services to most of our rural areas remain a challenge to us, We must mentioned that our Municipality is not Water and Sanitation Authority and therefore the powers are allocated to the Greater Sekhukhune District Municipality as per legislation. We applaud the efforts of the District Municipality by continuing to pump more financial resources to provide our communities with water. The 2009/10 IDP for elaborates more on the matter of water provision. In partnership with the District Municipality we are working hard to ensure speedy provision of water so that every household in the municipality have access to this basic service.
- The construction of De Hoop dam is going on well and we are waiting in anticipation for its completion to bring relieve in terms of water provision.
- We must mention that the provision of electricity is a major challenge facing our country today. It is a common knowledge that ESKOM is experiencing capacity challenges that the country is going to live with for the coming 3 to 4 years. We must

all be patient with this process because ESKOM has started by erecting Power Stations whilst upgrading some, to address the electricity crisis. We are still committed to follow the priority list of electrifying our villages once the capacity problem is addressed.

Allow me Madame Speaker, to present the 2009/2010 budget:

The President of the Republic of South Africa, Jacob Zuma is stressing the fact that government has to focus much on rural areas which were previously not fully been taken care of. We would also like to focus much of the rural areas. We want our budget to address rural areas than urban.

The budget allocation for 2009/10 is standing at R206 777.2 which consists of:

Operational budget	R158 142,955
Capital budget	R 48 634, 277

Allocation for operational budget for various municipal Departments:

▪ Finance	R28 994,719
▪ Technical Services	R42 334, 200
▪ Economic and Land development	R8, 690,168
▪ Community Services	R15,130,514
▪ Corporate Services	R27,175,377
▪ Executive Support Services	R27, 95,367
▪ Strategic PMS	R5,816,214
▪ Municipal Manager	R4, 210,661

The following are some of the major programmes which are to be implemented in the 2009/2010 financial year and following two financial years as required by the Municipal Finance Management Act;

2009/2010 Capital projects are as follows:

- | | |
|----------------------------------|--------------|
| • Upgrading of Praktiseer roads | – R5.4m |
| • Upgrading of Ohrigstad roads | – R4.8m |
| • Burgersfort roads and bridges | – R4.8m |
| • Planning fees | – R2.5m |
| • Moraba Access Roads | – R2.6m |
| • Riba cross – Ga-Riba road | – R3.5m |
| • Electrification of villages | – R3.5m |
| • Moeng Community hall | – R2.5m |
| • Tjate community hall | – R2.5m |
| • Tukakgomo small access bridge | – R1.7m |
| • Kampeng small access bridge | – R1.7m |
| • Phiring small access bridge | – R1.7m |
| • Pororo small access bridge | – R1.7m |
| • Lekgwareng small access bridge | – R1.7m |
| • Community Hall | – R4, 500,00 |

All the projections are a result of the interactions we had with our communities and other stakeholders during IDP/Budget consultative meetings conducted over the past month. In our consultative meetings most concerns raised were over the lack or poor provision following basic services:

- Electrification of villages
- Water provision and reticulation
- Roads
- Theft of water pumping machines
- Access bridges
- Community halls

Madame Speaker, over and above the projects anticipated as per our budget, the following project anticipated as per our budget, the following projects will be implemented in the Municipality by other spheres of government.

The capital projects to be implemented are those from other sector Departments such our sister Municipality, Greater Sekhukhune District on water, sanitation and electricity projects, Department of Roads and Transport on roads upgrading, South African Roads Agency Limpopo which is focusing on upgrading gravel roads to tar, Department of Education on schools building upgrading and building of new schools and additional classrooms, Department of Health & Social Development upgrading of clinic buildings and building of new once. Department of Public Works will be focusing on renovating government houses, Department of Water Affairs & Forestry focusing on Water projects.

Modikwa, DwarsRivier, Twickenham, Xstrat Alloys & Merafe Mines, Eastern Mines which include Thorncliff, Helena Magareng and Mototolo, Lion Ferrochrome, ASA Metal/Dilokong Chrome, Two Rivers, Marula Mine have made a commitment of more 50 million in infrastructure development projects.

We can report that the budget presented today will go a long way to address the concerns of our people and we will continue to do so in partnership with all other spheres of government. I must reiterate that the Municipality is in consultation with ESKOM with the aim of coming up with a solution towards energy capacity in Tubatse and the possibility of electrifying villages where there is capacity to do so.

Ke rata go leboga Council le bašomi ba mmasepala ka fase ga taolo ya Molaodi wa Mmasepala, Phaahle Malepeng, Ward Committees le setšhaba ka moka. Ba gešo thekgo ya lena yeo le e tšweleleditšego mo mengwageng ya go feta go fihla lehono, ga e tšwele pele e bohlokwa kudu tšwelelelong ya Mmasepala.

Ke a leboga! Thobela!



GREATER TUBATSE MUNICIPALITY
FINAL BUDGET REPORT

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GREATER TUBATSE MUNICIPALITY - FINAL BUDGET REPORT

1. PURPOSE OF THE REPORT

The purpose of this report is to inform Council on the principles followed in the compilation of the 2009/2010 – 2011/2012 budget. It pays attention to the global economy which is experiencing a sharp downturn, spreading from developed to developing countries which it origin lie in macroeconomics imbalances of an unprecedented scale

2. LEGAL REQUIREMENTS

A comprehensive discussion of the budget process can be read in Chapter 4 of the MFMA.

The report has been compiled in accordance with the Local Government: Municipal Finance Management Act (MFMA), Act no 56 of 2003 and National Treasury Circulars as set out below.

- ❑ MFMA Circular No 12 dated 31 Jan 05 – Definition of a “Vote” in MFMA.
- ❑ MFMA Circular No 13 dated 31 Jan 05 – Service Delivery and Budget Implementation.
- ❑ MFMA Circular No 28 dated 12 Dec 2005 – Content and Format
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- ❑ MFMA Circular No 41 dated 31 January 2007 – MTREF Budget Circular 2007/08
- ❑ MFMA Circular No 42 dated 30 March 2007 – Funding a Municipal Budget
- ❑ MFMA Gazette No 31804 dated 23 January 2009- The Municipal Budget and Reporting Regulation
- ❑ MFMA Circular no 48 dated 02 March 2009 – municipal budget

3. STRATEGIC FOCUS AREAS AND MUNICIPAL PRIORITY ISSUES

Municipal budgets must reflect policy priorities determined by Councillors who are the representatives of the community. It is essential that the Municipality by means of the IDP planning process identify the strategic focus areas and prioritise strategic issues.

The focus will mainly look at the context of economic crisis which we need to invest in the following

- ❑ How is the global slowdown in the world economy going to impact on the economy
- ❑ The impact on the demand for municipal services
- ❑ Impact on municipal revenue and provision for bad debts and doubtful debts
- ❑ Impact on employment and household income within the municipality for purposes of our indigent subsidies and free basic services allocation
- ❑ The scarcity of credit on municipality's cost of borrowing especially for our capital projects

For the 2009/10 Final Budget the municipality needs to focus on key arrears which forms part of our IDP strategy such as the following municipal strategic issues:-

- ❑ Service Delivery
- ❑ Institutional Building
- ❑ Local Economic Development
- ❑ Public Amenities and Sports Facilities
- ❑ Public safety and Security
- ❑ Cleansing and the Environment
- ❑ Development Growth strategy

4. BUDGETS

The annual budget approved by Council must be in the format outlined in National Treasury Circular No 28, and will be converted to the new regulated format:

- ❑ A balanced operating budget containing expenditure details and realistically anticipated revenue (actual revenue collected matches actual expenditure incurred);
- ❑ A balanced budget for capital expenditure that is within realistic funding already secured, together with the projected future financial implications of such capital expenditure;
- ❑ Details of borrowing intentions and other liabilities that will increase the Municipality's debt;
- ❑ Audited actual results for the previous year; and
- ❑ Projected budget outcomes for the current financial year, the next year's budget and the outer two years.

The budget of the Council consists of the operational budget (revenue and expenditure) and the capital budget. The budget must, within the available resources, reflect the Council's IDP and how it will be funded. National Treasury guidelines require that Councils provide at least a three-year operating and capital budget.

In terms of the National Medium-Term Budget it is important to note the predicted trends in the CPIX as set out below.

	2009/10	2010/11	2011/12
Inflation Forecast (CPIX)	5.4%	5.1%	4.6%

5. BUDGET

The operational budget is the financial plan which Council uses to effect sustainable service delivery within the guidelines of the Council and in terms of affordability. The operational budget also serves as a comprehensive detailed statement in which the municipality shows how much it intends to spend on the rendering of each service during a particular financial year.

In order to facilitate control over revenue and expenditure the development of the budget will be undertaken using the following divisions:-

- ❑ Departments;
- ❑ Revenue and Expenditure categories; and
- ❑ Revenue and Expenditure line items.

It is of the utmost importance that Council ensures an in depth review of its revenue budget and the goals for each category on an annual basis and that the level of spending is limited by the availability of revenue.

Therefore, when the expenditure budget is compiled the ability of the consumers to pay must always be taken into consideration. New operations and expansion of operations on the operating budget should therefore be motivated to Council before inclusion in the operating budget. Such operations must be included in departmental operational plans.

6. OPERATING BUDGET

6.1 Revenue Budget

The Council must determine what the total realistic revenue for the Municipality in the new financial year will be. Using actual levied revenue for the first six months of the current financial year and projecting these figures up to the end of the current financial year will determine such possible revenue. This calculation must further be based on realistic and affordable tariff increases as well as any expansion of the revenue base.

It is the policy of Council to avoid major price increases for services as it has the negative impact of reducing consumers' disposable income. However, to be able to provide services and fulfil its responsibilities the Municipality will have to obtain additional revenue from tariff increases on the various services provided as well as assessment rates.

It is proposed that a general tariff increase equal to not more than the consumer price index on average is implemented. However the over-riding consideration must be the financial position of the Municipality. In determining the level of revenue and proposed changes to tariffs the amount of possible bad debt must also be determined and fully provided for. The following table and graphs below depicts the summary of revenue for 2009/10 and previous year comparative.

Details of any expansion to the revenue base must be recorded timeously. The revenue of the Council is derived from several sources. For budgeting purposes the revenue from the various sources is set out below:

6.1.1 Grants and Subsidies

The summary below depicts the categories of inter-governmental grants for R78,245,500 from national, provincial and district municipality (2008/9 – R58,071,816). The grants are used to finance municipality operations, FBS, financial capacity building and allowances for ward committees. The table and graphs below depicts the operational grant funding situation in the municipality.

6.1.2 Assessment Rates

Assessment rates (R37, 109,516) are levied on the market value of property in accordance with the Local Government: Municipal Property Rates Act and has been budgeted at 17% below the previous year's (R47,707,272) budget. The following factors are attributed to reduction of property rates budget from the previous year.

- (i) Current economic situation that affect the property development farm properties.

Assessment rates have been reduced down due to negative growth in the property development within the municipality over the past six months. The following examples serve as indication of the negative growth in property development.

- Forty (40) houses development by Twickenham Mine with potential value of R800,000 per stand. (potential annual income of R2,6m) has been put on hold in Aloeridge Extension
 - Four hundred (400) building plans which were approved for development in Motaganeng Extension has been put on hold (potential annual income of R1,3m)
- (ii) Revision of the property rates act for wrt reduction in tariffs for the farm properties
- (iii) Scarcity of credit for property development and also the unaffordable cost of credit.
- (iv) Nominal amount of rates actually collected in Mapodile and Praktiseer
- (v) Billing and collection of rates for Meucklenberg is not budgeted for due to long history of non-payment. With the approval of council these rates will be submitted to MEC for Local Government for write-off and exemption.

6.1.3 Refuse Removal

Refuse removal as an economic service should be operated to at least a point of break even. However, the service is currently rendered at a loss. There is currently Sec 78 process in place to assess the cost effectiveness of the service, and based on the final assessment the budget trend for this service will hopefully be improved.

6.1.4 Water and Sanitation

The water and sanitation service is currently rendered in the Burgersfort, Steelport, Ohrigstad, Mapodile and Praktiseer areas on an agency basis on behalf of the Greater Sekhukhune District Municipality. The water and sewerage budget of R13,433,709 do not include any additional funding from any sphere of government wrt to this service either for FBS/ operations and maintenance and this results in the water services function to be rendered at a loss as its is expected to be self sustainable.

There are current discussions with the GSDM to review the SLA with regard to repairs and maintenance, more specifically the complete take-over of the Lepelle Northern Water contract.

6.1.5 Traffic management

Traffic management income of R9, 000,000 is made up of traffic fines, driving licences and agency fee on motor vehicle licences. The increase is also supported by the acquisition of own speed management camera.

6.1.6 Other revenue

Other revenue of R12,3 million consist of minor revenue such as building plan fee, town planning fees, library fees, reconnection fees, interest and penalties. (R6, 203,946 – 2008/09)

6.2 Expenditure Budget

The expenditure framework must be based on the strategic plans/ IDP, the service delivery and budget implementation plans and the revenue framework.

Where possible, the zero-based budgeting technique is applied to categories of expenditure. This will ensure that an in-depth review of revenue, expenditure and the targets for each category is undertaken during the budget process, resulting in a credible three-year budget, not merely based on an incremental approach. The zero-based type of analysis where all activities are open to review at budget time also allows an opportunity to reallocate resources and to avoid continuous growth in budgeted expenditure.

The following elements have a major impact on the formulation of the expenditure budget:-

- ❑ Employee remuneration
- ❑ Councillors remuneration
- ❑ General Expenditure
- ❑ Repairs and maintenance;
- ❑ Contracted services
- ❑ Interest and redemption requirements to service borrowings;
- ❑ Contributions from the operating budget for capital expenditure; and

The attached tables and graphs below depict the expenditure budget situation for 2009/10.

The expenditure budget consists of operating service delivery items and provides for the following:

6.2.1 Salaries and Wages – Employee Related Costs

Salaries and wages consist of all remuneration in cash and in kind to employees in return for work performed. This includes allowances and other benefits paid as part of conditions of employment. Employer contributions into a pension fund are an example of a social contribution. Another example is contributions to a medical aid scheme.

It does not include costs of training courses (shown under General Expenses) and costs of contractors. However, the costs relating to contractors who are engaged under the Municipality's basic conditions of service are included – these are essentially employees on fixed term contracts such as Section 57 appointments. The remuneration of Councillors, including full-time Councillors, is also not included in this category as they are not employees of the Municipality.

The proposed 2009/2010 budgeted amount is based on the reviewed organogram which includes vacant posts which are envisaged to be filled in the 2009/10 financial year. Of importance is that the organogram will also address the issue of contract workers who are currently engaged as contract workers, as per the agreement of the LLF

The budget also includes the proposed salary increase for the 2009/2010 financial year of 10.5% and also for the 2 outer years.

- Councillor Allowances: All the costs associated with the remuneration of Councillors, including their allowances and any other benefits paid, must be disclosed in this section as a separate expense. For the 2009/2010 budget year and the two outer years the possible increase provided for is 12% per annum.

6.2.2 General Expenses

This section must include all expenses that will be necessary for the Municipality to carry out operations or activities that are not classified under one of the other expenditure groups. Set out below are some of the common general expenditure items.

- Provision for Doubtful Debts: This is the value of monies unable to be recovered. Each year an estimate should be made of the expected write-off value to be included in this item of the budget. Actual debt

written off is an expense to the municipality. Provision of R6.9 million (based on current payment levels) is provided for the following services

- ❖ Water.
- ❖ Sewerage.
- ❖ Refuse.
- ❖ Property Rates.

The 2008/2009 collection rate was 70%. However

- Interest on External Borrowings: Loan redemption payments of R1.8 million have been provided for in order to service the loan that council has approved in the financial year 2007/2008 and continued with projects of 2008/09 the loan was financing the roads infrastructure and machinery for the envisaged public works machinery for our Technical division.

For the 2009/2010 budget year there is no intention or any form of borrowing council will do.

6.2.3 Contracted services

Provision has been made for services providers who are currently contracted to the municipality to render certain services for which the municipality have got no/less capacity to run them efficiently and effectively.

It also provides for professional services and security services and is recorded under general expenses. However, this expenditure is actually an addition to the salary budget.

In the 2009/2010 Final budget an amount of R9 million has been provided.

The following service providers are our contracted service.

▪ Security services	R	5,4 mil
▪ Refuse removal (refuse collection/ landfill site)	R	3.6 Mil
▪ HR Consultants (HR Department)	R	420000
▪ Skill Development	R	600000
▪ Building Inspections	R	420000

Management has taken decision to obtain independent review of all the contracted services to ensure some savings on some of the contracted services.

6.2.4 Repairs and Maintenance

Expenditure that maintains an asset in good working order, to ensure asset performance and the useful life originally expected, is not capital and must be shown under this item. "Total Asset Management" requires that a schedule of programmed maintenance should be developed for all assets of the municipality. This ensures that the asset maintains optimal performance and the municipality obtains maximum flow of economic benefits from employment of the asset over its optimum life.

The deferral of maintenance expenditure on assets has the effect of increasing future maintenance costs and also has potential for reducing the economic life of the asset and hence the flow of economic benefits.

The proposed allocation for the 2009/2010 budget year is only R13,1 million; this increases to R13,9 million in 2010/2011 and R14.7 million in 2011/2012.

7. PROPERTY PLANT AND EQUIPMENT

The allocation of R2.28 million includes amount of R1.25 million which has been allocated to replace the fleet which is currently too costly on maintenance due to the fact that their life span has expired. The current fleet will have to be disposed by way of following MFMA section 14 and 90.

8. CAPITAL BUDGET

The importance of increasing the local content of capital expenditure cannot be underestimated as the allocation is a function and driver of service delivery to the community. However, based on the Municipalities current financial position any contribution to capital from local revenue will be minimal over the next three years.

And amount of R48 million has been allocated for capital project which are detailed in content and format 09-10-Annexure 2-budget Schedules which the sheet read schedule 3 Capital expenditure by GFS and it is attached for further references and approval.

9. FINANCIAL STRATEGY

The purpose of the financial strategy is to identify and recognise the financial resources (revenue envelope) available for capital and operational expenditure and includes revenue strategies, operational expenditure strategies and capital financing strategies.

The operating budget must always be balanced, to ensure that operating expenditure does not exceed realistically anticipated revenue. To avoid a shortfall Council should ensure the following:-

- ❑ The revenue base is to be realistically increased with concomitant resources applied to credit control and debt collection.
- ❑ Remuneration already constitutes a substantial percentage of the total operating budget. It should be noted that further increases may have an adverse impact on service delivery and consequential affordability for the residents of Greater Tubatse Municipality.

The National Treasury circular dated 12 April 2002 cautioned, *“The creation of new organisational structures, filling of vacant posts and councillor allowance increases should only be undertaken with due consideration of budget constraints, affordability to its citizens and the impact on the local economy”*.

The full financial implications of the review and update of the organogram, which still have to be determined, may have implications on future budgets. However, it is recommended that the Municipality's Human Resource Strategy should be informed by and takes into consideration the above circular in terms of managing remuneration expenditure.

General expenses should be managed from a perspective of all activities being continuously justified in terms of their outcomes and performance goals and whether they continue to be consistent with the Council's strategic priority targets as outlined in the Integrated Development Plan.

- ❑ Departments should indicate their needs to maintain the assets of the Municipality in their repair and maintenance master plans. Departments must also indicate in their maintenance plans any deferred maintenance. The current allocation for Repairs and Maintenance in the 2008/09 proposed budget should be seen as the first step in addressing the backlog that exists on infrastructure maintenance and this level of spending should as a minimum be maintained for the two outer years.

- ❑ The provision for doubtful debts must be increased to a level that reflects the amount of uncollectible debts in the books of the municipality.

An extract from section 18 of the MFMA reads as follow:

An annual budget may only be funded from-

- (a) realistically anticipated revenue to be collected;*
- (b) cash-backed accumulated funds from previous year's surpluses not committed for other purposes; and*
- (c) borrowed funds, but only for the capital budget referred to in section 17(2).*

Revenue projections in the budget must be realistic, taking into account-

- (a) projected revenue for the current year based on collection levels to date; and*
- (b) actual revenue collected in previous financial years.*

It is therefore of utmost importance that credit control be enforced vigorously to avoid potential cash flow problems. The current provision for working capital should be made on the basis of the payment levels for the first four months of the current financial year.

The identification of non-core functions and the possibility of fazing them out should be considered on a continuous basis.

10. CONCLUSION

The 2009/10 Final budget for Greater Tubatse Municipality comprise of the following in percentages of the operational budget

❑ Labour Cost	40%
❑ Council Cost	08%
❑ General Expenses	36%
❑ Repairs and Maintenance	08%
❑ Contribution to funds	04%
❑ Contribution to capital outlay	02%

11. RECOMMENDATION

Portfolio committee to recommend to EXCO and further to council the Final budget of 2009/2010 -2011/2012 which is tabled in the following

- ❑ Budget content and format 2009/10 MTRF- Annexure 2- Budget Schedule
- ❑ Budget Content and Format 2009/10 MTRF- Annexure 3- Budget related Chart
- ❑ Budget content and Format 2009/10 MTRF- Annexure 4- Supporting Documents
- ❑ The reviewed tariff structure and any attached related policies

Recommendations of Finance Portfolio Committee

- ❑ Revenue
 - (i) ELD provide report on implementation of Outdoor advertising as it is not operational after 12 months
 - (ii) Finance submit for write off of property rates in Meucklenberg
 - (iii) Traffic obtain their own cameras rather than use contracted services
- ❑ Capital budget
 - (i) Planning fees used for other community related projects i.e. additional grader for roads
 - (ii) Capital programme take into account other projects on the IDP – observation is that only projects that are budgeted in the current year are planned for outer years.
 - (iii) Community projects like community halls be linked to areas

ANNEXURE 2
BUDGET SCHEDULES

GREATER TUBATSE MUNICIPALITY

SCHEDULE 2 OPERATING EXPENDITURE BY TYPE	Preceding Year	Current Year			Medium Term Revenue and Expenditure Framework		
	2007/08	2008/09			Budget Year 2009/10	Budget Year +1 2010/11	Budget Year +2 2011/12
	Audited Actual R'000 A	Approved Budget R'000 B	Adjusted Budget R'000 C	Full Year Forecast R'000 D	Budget R'000 E	Budget R'000 F	Budget R'000 G
Councillor Allowances	7,900,000	10,840,381	478,288	11,318,669	12,955,399	13,732,723	14,556,686
Traditional Leaders	22,260	23,596	(7,596)	16,000	79,200	88,704	99,348
Employees Related Costs	42,075,990	46,720,199	6,208,941	52,929,140	64,194,059	68,045,702	72,128,444
Advertisements	447,405	474,249	(100,000)	374,249	500,000	530,000	561,800
Audit Fees Internal	100,000	400,000	261,949	661,949	650,000	689,000	730,340
Audit Committee	20,000	20,000	16,503	36,503	40,000	44,800	50,176
Bad debts	500,000	10,727,553	(4,000,000)	6,727,553	5,896,000	6,603,520	7,395,942
Bank Charges	150,000	160,000	35,450	195,450	200,000	224,000	250,880
Book Replacements	8,250	40,000	-	40,000	60,000	67,200	75,264
Burials-Needy People	10,000	10,600	3,418	14,018	11,236	12,584	14,094
Bursary Funds	100,000	120,000	-	120,000	200,000	224,000	250,880
Communication System	250,000	265,000	(150,017)	114,983	220,000	246,400	275,968
Contracted Services	3,700,000	12,086,350	714,799	12,801,149	4,686,300	5,248,656	5,878,495
Dep Business Plans	4,206,618	3,400,000	(400,000)	3,000,000	4,700,000	5,264,000	5,895,680
Disaster Implementation	-	80,000	(44,000)	36,000	-	-	-
Entertainment	400,000	200,000	100,275	300,275	350,000	392,000	439,040
Events & Special Projects	850,874	900,000	-	900,000	1,740,000	1,948,800	2,182,656
Employees Assistance Programme	-	-	-	-	500,000	560,000	627,200
External Audit Fees	300,000	300,000	600,000	900,000	1,740,000	1,948,800	2,182,656
Free Basic Electricity	2,175,254	1,900,000	2,699,522	4,599,522	3,000,000	3,360,000	3,763,200
Free Basic Water	50,000	300,000	(200,000)	100,000	318,000	356,160	398,899
Fuel	500,000	700,000	(70,000)	630,000	1,400,000	1,568,000	1,756,160
Gifts & Donations	65,000	23,900	-	23,900	100,000	112,000	125,440
Grants in Aid	150,000	100,000	-	100,000	100,000	112,000	125,440
Income for Gone	-	16,522,545	(3,000,000)	13,522,545	-	-	-
Inspection Fees	-	50,000	-	50,000	100,000	112,000	125,440
Insurances	437,514	600,000	100,000	700,000	700,000	784,000	878,080
IT System	-	275,972	24,181	300,153	2,800,000	3,136,000	3,512,320
Legal Fees	1,800,000	2,250,000	614,887	2,864,887	2,000,000	2,240,000	2,508,800
Legal Library Books	-	-	-	-	200,000	224,000	250,880
Licences	42,706	193,500	(98,394)	95,106	35,510	39,771	44,544
Mayor's Entertainment	100,000	100,000	(35,726)	64,274	100,000	112,000	125,440
Medical Supplies	8,320	8,819	-	8,819	100,000	112,000	125,440
Membership Fees	100,000	227,000	176,295	403,295	52,000	58,240	65,229
Mfsa Grant	250,000	500,000	-	500,000	750,000	840,000	940,800
Munisipal Services - Electricity	925,000	750,000	492,725	1,242,725	1,000,000	1,120,000	1,254,400
Notice Boards	10,000	31,000	-	31,000	2,000	2,240	2,509

GREATER TUBATSE MUNICIPALITY

SCHEDULE 2 OPERATING EXPENDITURE BY TYPE	Preceding Year	Current Year			Medium Term Revenue and Expenditure Framework		
	2007/08	2008/09			Budget Year 2009/10	Budget Year +1 2010/11	Budget Year +2 2011/12
	Audited Actual R'000 A	Approved Budget R'000 B	Adjusted Budget R'000 C	Full Year Forecast R'000 D	Budget R'000 E	Budget R'000 F	Budget R'000 G
Operating System (Policies & By Laws)	700,000	150,000	(48,985)	101,015	200,000	224,000	250,880
Periodicals and Publications	4,000	5,000	(5,000)	-	2,000	2,240	2,509
Planning Fees	390,000	6,900,000	-	6,900,000	3,300,000	3,696,000	4,139,520
PMU Skills development Grant	-	100,000	-	100,000	200,000	224,000	250,880
PMU Administration	-	136,878	-	136,878	145,091	162,502	182,002
Postage and Telegrams	40,000	110,600	-	110,600	103,000	115,360	129,203
Printing and Stationery	740,230	957,400	(81,697)	875,703	1,100,000	1,232,000	1,379,840
Professional Fees	3,095,000	210,000	(210,000)	-	2,400,000	2,688,000	3,010,560
Records Management	-	-	-	-	300,000	336,000	376,320
Protective Equipments	120,000	218,600	(115,552)	103,048	260,000	291,200	326,144
Renting of Office & Equipment	700,000	3,365,000	(400,000)	2,965,000	1,500,000	1,680,000	1,881,600
Serminars & Conferences	100,000	106,000	(84,161)	21,839	-	-	-
Security Services	-	4,146,093	-	4,146,093	5,565,000	5,898,900	6,252,834
Speaker's Entertainment	50,000	50,000	(28,688)	21,312	50,000	56,000	62,720
Statutory Levies - Staff	-	550,000	-	550,000	300,000	336,000	376,320
Stock and Material	120,000	137,190	(57,190)	80,000	-	-	-
Sundry Expenses	130,000	269,800	-	269,800	53,000	59,360	66,483
Telephone Expenses	509,016	594,000	306,000	900,000	1,083,000	1,212,960	1,358,515
Training	678,658	700,000	253,993	953,993	2,000,000	2,240,000	2,508,800
Training Councillors	228,148	200,000	183,545	383,545	300,000	336,000	376,320
Travelling & Accommodation	1,585,226	1,638,816	927,864	2,566,680	2,737,800	3,066,336	3,434,296
Town/City Growth and Development	-	-	-	-	2,000,000	2,240,000	2,508,800
Valuation Costs	138,580	50,000	54,500	104,500	160,000	179,200	200,704
Valuation Court Expenses	-	50,000	(20,000)	30,000	50,000	56,000	62,720
Wards Committees	858,500	892,694	(60,514)	832,180	1,218,000	1,364,160	1,527,859
Repairs & Maintenance	4,204,000	9,614,676	(2,430,733)	7,183,943	13,144,000	14,721,280	16,487,834
Contribution to Funds	121,734	-	-	-	-	-	-
Depreciation	-	-	5,700,000	5,700,000	5,200,000	5,824,000	6,522,880
Capital Costs	-	-	-	-	1,850,000	2,072,000	2,320,640
Asset Financing Fund (AFF)	1,739,440	1,116,000	(216,000)	900,000	2,282,360	2,556,243	2,862,992
Capital Redemption	1,380,000	2,762,800	(157,000)	2,605,800	1,659,998	3,104,282	3,104,282
Total Operating Expenditure By Type	85,287,723	146,332,211	7,931,882	154,264,093	160,642,953	176,133,324	191,563,029

Column Definitions:

- A. The audited actual for 2005/06 as per the audited financial statements.
- B. The original budget approved by council for the 2006/07 budget year.
- C. The budget for 2006/07 budget year as adjusted by council resolution in terms of section 28 of the MFMA.
- D. An estimate of final actual figures for the 2006/07 budget year at the point in time of preparing the budget for the 2007/08 budget year.
- E. The amount to be appropriated for the 2007/08 budget year.
- F. The indicative projection for 2008/09
- G. The indicative projection for 2009/10

Notes:

- 1.PPE (Property,Plant & Equipments)

GREATER TUBATSE MUNICIPALITY

SCHEDULE 1 REVENUE BY SOURCE	Preceding Year 2007/08	Current Year 2008/09			Medium Term Revenue and Expenditure Framework		
	Audited Actual R'000 A	Approved Budget R'000 B	Adjusted Budget R'000 C	Full Year Forecast R'000 D	Budget Year 2009/10	Budget Year +1 2010/11	Budget Year +2 2011/12
					Budget R'000 E	Budget R'000 F	Budget R'000 G
Assesments Rates	-19,060,000	-47,707,272	-	-47,707,272	-37,109,516	-57,120,799	-57,120,799
Refuse Fees	-2,351,560	-5,129,368	595,701	-4,533,667	-4,987,033	-4,025,692	-4,025,692
Sewerage Fees	-4,034,580	-5,746,375	2,220,947	-3,525,428	-3,997,970	-4,519,639	-4,519,639
Water	-6,394,071	-7,837,637	-558,490	-8,396,127	-9,435,739	-6,214,979	-6,214,979
Equitable Share	-44,875,000	-54,989,000	-	-54,989,000	-74,350,000	-91,888,000	-100,280,000
Financial Management Grant	-250,000	-500,000	-	-500,000	-750,000	-605,000	-605,000
Mun. System improve Grant	-1,484,000	-735,000	-	-735,000	-735,000	-735,000	-735,000
Electrification Municipal Grant						-	-
Institutional Grant	-	-652,500	-	-652,500	-913,500	-1,013,206	-1,013,206
Free Basic electricity-Grant	-	-	-2,499,522	-2,499,522	-	-	-5,000,000
MIG Grant					-1,297,600	-1,560,000	-1,750,000
LGSETA-Training	-	-	-	-	-200,000	-212,000	-224,720
Permits Licences	-	-300,000	190,491	-109,509	-	-337,080	-337,080
Application Fee	-	-500,000	-418,549	-918,549	-990,000	-1,049,400	-1,112,364
Building Plan & Inspection Fees	-	-340,000	-439,620	-779,620	-400,000	-411,400	-411,400
Cemetries Fees	-30,000	-38,115	-32,348	-70,463	-101,022	-108,691	-108,691
Clearance Certificate	-	-65,000	-13,647	-78,647	-78,650	-78,650	-78,650
Driver's Licences	-1,300,000	-500,000	-563,976	-1,063,976	-1,100,000	-605,000	-605,000
Subsidies from Province	-960,000	-7,000,000	-	-7,000,000	-1,500,000	-	-
Current and General	-	-	-1,052,717	-1,052,717	-1,421,298	-1,506,576	-1,596,970
Interest on Investment	-1,272,000	-680,000	-	-680,000	-1,500,000	-1,590,000	-1,685,400
Interest on Outstanding Debtors	-1,200,000	-1,500,000	2,612,325	1,112,325	-5,655,000	-5,994,300	-6,353,958
Learner's Licences	-500,000	-550,000	-588,552	-1,138,552	-1,210,000	-605,000	-665,500
Libraries Fees	-5,000	-	-	-	-10,000	-10,600	-11,236
Natis Registration Fees	-3,000,000	-3,500,000	113,120	-3,386,880	-4,000,000	-4,300,000	-3,630,000
Outdoor Advertisement	-	-700,000	693,296	-6,704	-650,000	-700,000	-700,000
Penalties	-	-200,000	-3,849,245	-4,049,245	-200,000	-242,000	-242,000
Connection fee-water	-	-	-194,717	-194,717	-250,000	-275,000	-302,500
Reconnection Fees	-	-7,500	6,952	-548	-	-9,075	-9,075
Rent of Property	-19,080	-180,000	-	-180,000	-310,000	-328,600	-348,316
Subsidies from District	-	-	-	-	-	-968,310	-1,026,409
Sundry Income Fees	-4,059,807	-207,000	347,571	140,571	-2,905,000	-3,079,300	-3,264,058
Water bulk contribution	-	-	-1,723	-1,723	-		
Offsetting Depreciation	-	-	-5,700,000	-5,700,000	-5,200,000		
Town Plan Fees	-	-20,000	-	-20,000	-	-24,200	-24,200
Traffic Fines	-2,000,000	-2,300,000	999,970	-1,300,030	-1,700,000	-1,802,000	-1,919,120
Valuation Certificate	-	-500	-	-500	-500	-605	-605
Total Revenue By Source	-92,795,098	-141,885,267	-8,132,733	-150,018,000	-162,957,828	-191,920,103	-205,921,568

Column Definitions:

- A. The audited actual for 2007/08 as per the audited financial statements.
- B. The original budget approved by council for the 2008/09 budget year.
- C. The budget for 2008/09 budget year as adjusted by council resolution in terms of section 28 of the MFMA.
- D. An estimate of final actual figures (pre audit) for the 2008/09 budget year at the point in time of preparing the budget for the 2009/10 budget year.
- E. The amount to be appropriated for the 2009/10 budget year.
- F. The indicative projection for 2010/11
- G. The indicative projection for 2011/12

GREATER TUBATSE MUNICIPALITY

SCHEDULE 2(a)	Preceding Year	Current Year			Medium Term Revenue and Expenditure Framework		
	2007/08	2008/09			Budget Year 2009/10	Budget Year +1 2010/11	Budget Year +2 2011/12
	Audited Actual R'000 A	Approved Budget R'000 B	Adjusted Budget R'000 C	Full Year Forecast R'000 D	Budget R'000 E	Budget R'000 F	Budget R'000 G
Corporate Services	15,263,198	18,370,661	3,911,162	22,281,823	25,791,100	26,905,043	28,519,346
Executive Support	24,885,719	24,372,882	2,396,676	26,769,558	27,175,377	28,805,900	30,534,254
Office of the Municipal Manager	2,523,648	2,136,526	686,856	2,823,382	4,210,661	4,442,101	4,708,627
Finance	9,455,216	35,875,141	(3,173,862)	32,701,279	28,994,719	28,667,402	30,387,446
Technical Services	9,289,317	5,296,509	5,270,588	10,567,097	11,485,781	22,996,979	24,376,798
City Engineer-Water	3,571,154	9,498,618	(3,690,006)	5,808,612	6,017,724	6,378,787	6,761,515
City Engineer-sewerage	1,284,472	6,048,126	(1,713,753)	4,334,373	4,530,765	4,802,611	5,090,767
City Enginner-Roads	3,883,576	5,083,882	7,467,332	12,551,214	12,709,482	22,996,979	24,376,798
Refuse Removal	6,197,276	8,413,120	484,719	8,897,839	8,078,088	8,562,773	9,076,540
City Engineer-Municipal Buildings	580,100	1,256,000	925,114	2,181,114	2,012,360	2,014,000	2,134,840
Community Services Admin	3,783,182	2,636,866	493,250	3,130,116	3,159,606	3,349,182	3,550,133
Traffic services	3,556,412	5,025,915	1,097,252	6,123,167	8,116,089	8,073,055	8,557,438
Cemetries	263,152	547,131	136,034	683,165	1,340,887	1,421,340	1,506,621
Library	537,707	1,060,083	48,998	1,109,081	2,513,932	2,664,768	2,824,654
Strategic Planning	4,745,784	3,447,999	219,991	3,667,990	5,816,214	6,165,187	6,535,098
Planning & Development	2,974,858	5,864,440	523,751	6,388,191	8,690,168	9,211,578	9,764,272
OPERATING EXPENDITURE BY VOTE	72,153,897	134,933,898	15,084,102	150,018,000	160,642,953	187,457,685	198,705,147

Column Definitions:

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- D. An estimate of final actual figures (pre audit) for the 2008/09 budget year at the point in time of preparing the budget for the 2009/10 budget year.
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- G. The indicative projection for 2011/12

GREATER TUBATSE MUNICIPALITY

SCHEDULE 3 CAPITAL EXPENDITURE BY GFS	Preceding Year 2007/08	Current Year 2008/09			Medium Term Revenue and Expenditure Framework		
	Audited Actual R'000 A	Approved Budget R'000 B	Adjusted Budget R'000 C	Full Year Forecast R'000 D	Budget Year 2009/10	Budget Year +1 2010/11	Budget Year +2 2011/12
					Budget R'000 E	Budget R'000 F	Budget R'000 G
UPGRADING OF CEMETRIES	6,040,000	-		-	-	-	1,000,000
UPGRADING OF NTWAMPE SPORT FIELD	3,171,317	-		-	-	-	-
UPGRADING ROADS PRAKTISEER	4,100,000	6,100,000		6,100,000	5,400,000	6,000,000	10,000,000
UPGRADING ROADS OHRIGSTAD				-	4,897,300	6,000,000	5,000,000
UPGRADE ROADS GA-MAPODILE				-	-	-	5,000,000
BURGERSFORT ROADS & BRIDGES	15,000,000	4,600,000		4,600,000	4,800,000	5,000,000	15,000,000
PUBLIC WORKS (RURAL ROADS & EQUIPMENTS-LOAN)	5,000,000	5,000,000		5,000,000	-	-	10,000,000
STREET LIGHTS	1,500,000	-		-	-	-	1,500,000
Planning Fees	-	-	-	-	-	-	-
MORABA ACCESS ROAD	-	-		-	2,640,000	-	-
RIBA CROSS TO GA-RIBA ACCESS ROAD	-	-		-	3,520,000	-	-
ELECTRIFICATION(VILLAGE HOUSE CONNECTION)	5,000,000	-		-	11,726,000	-	5,000,000
COMMUNITY HALLS	-	4,500,000		4,500,000	4,350,000	3,000,000	2,000,000
SMALL ACCESS BRIDGES	800,000	4,500,000		4,500,000	6,000,977	1,700,000	1,500,000
CIVIC CENTRE				-	-		
BULK INFRASTRUCTURE (WATER & SANITATION)				-	-	-	15,000,000
PRAKTISEER INTERNAL ROAD		4,965,000		4,965,000	-		
KGAUTSWANE ACCESS ROAD	-	-		-	2,800,000	-	-
CAPITAL EXPENDITURE BY VOTE	40,611,317	29,665,000	-	29,665,000	46,134,277	21,700,000	71,000,000

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- D. An estimate of final actual figures (pre audit) for the 2008/09 budget year at the point in time of preparing the budget for the 2009/10 budget year.
- E. The amount to be appropriated for the 2009/10 budget year.
- F. The indicative projection for 2010/11
- G. The indicative projection for 2011/12

GREATER TUBATSE MUNICIPALITY

SCHEDULE 3(a) CAPITAL EXPENDITURE BY VOTE	Preceding Year	Current Year			Medium Term Revenue and Expenditure Framework		
	2007/08	2008/09			Budget Year 2009/10	Budget Year +1 2010/11	Budget Year +2 2011/12
	Audited Actual R'000 A	Approved Budget R'000 B	Adjusted Budget R'000 C	Full Year Forecast R'000 D	Budget R'000 E	Budget R'000 F	Budget R'000 G
Corporate Services							
Executive & Council							
Community Services Admin		4,500,000	-	4,500,000	4,350,000	3,000,000	5,000,000
Finance							
Technical Services	5,800,000			-	11,726,000	4,000,000	4,000,000
City Enginner-Roads	37,965,000	25,165,000	-	25,165,000	30,058,277	23,500,000	24,100,000
City Engineer-Water & sewerage							
City Engineer-Municipal Buildings							
Refuse Removal				-			
Traffic services	1,900,000			-			
Library					-	-	-
Cemetries	6,040,000			-			
Strategic Planning							
Planning & Development				-	-		
CAPITAL EXPENDITURE BY VOTE	51,705,000	29,665,000	-	29,665,000	46,134,277	30,500,000	33,100,000

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- G. The indicative projection for 2011/12

GREATER TUBATSE MUNICIPALITY

SCHEDULE 4 CAPITAL FUNDING BY SOURCE	Preceding Year	Current Year			Medium Term Revenue and Expenditure Framework		
	2007/08	2008/09			Budget Year 2009/10	Budget Year +1 2010/11	Budget Year +2 2011/12
	Audited Actual R'000 A	Approved Budget R'000 B	Adjusted Budget R'000 C	Full Year Forecast R'000 D	Budget R'000 E	Budget R'000 F	Budget R'000 G
National Government							
Amounts allocated / gazetted for that year	29,076,317.00	18,035,000	-	18,035,000	35,494,277	32,560,000	37,350,000
Amounts carried over from previous years	-	-	-	-	-	-	-
Total Grants & Subsidies - National Government	29,076,317.00	18,035,000	-	18,035,000	35,494,277	32,560,000	37,350,000
Provincial Government							
Amounts allocated / gazetted for that year	-	-	-	-	-	-	-
Amounts carried over from previous years	-	-	-	-	-	-	-
Total Grants & Subsidies - Provincial Government	-	-	-	-	-	-	-
District Municipality							
Amounts allocated for that year	-	-	-	-	-	-	-
Amounts carried over from previous years	-	-	-	-	-	-	-
Total Grants & Subsidies - District Municipalities	-	-	-	-	-	-	-
Total Government Grants & Subsidies	-	-	-	-	-	-	-
Public Contributions & Donations	-	-	-	-	-	-	-
Accumulated Surplus (Own Funds)	5,000,000	630,000	-	630,000	10,640,000	20,000,000	23,500,000
External Loans	17,000,000	11,000,000	-	11,000,000	-	-	-
TOTAL FUNDING OF CAPITAL EXPENDITURE	22,000,000.00	29,665,000	-	29,665,000	46,134,277	52,560,000	23,500,000

Column Definitions:

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C. The budget for 2008/09 budget year as adjusted by council resolution in terms of section 28 of the MFMA.

D. An estimate of final actual figures (pre audit) for the 2008/09 budget year at the point in time of preparing the budget for the 2009/10 budget year.

E. The amount to be appropriated for the 2009/10 budget year.

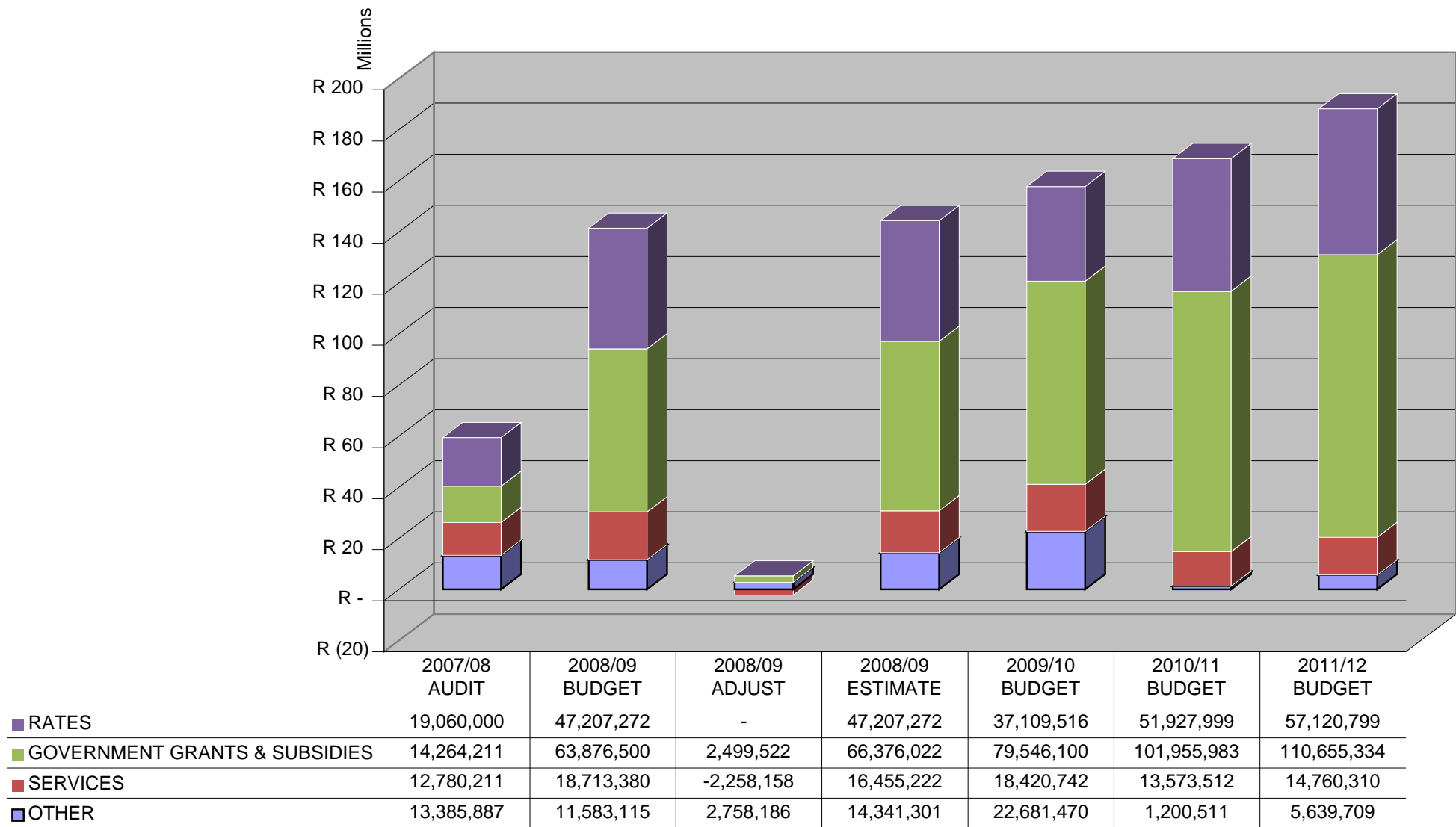
F. The indicative projection for 2010/11

G. The indicative projection for 2011/12

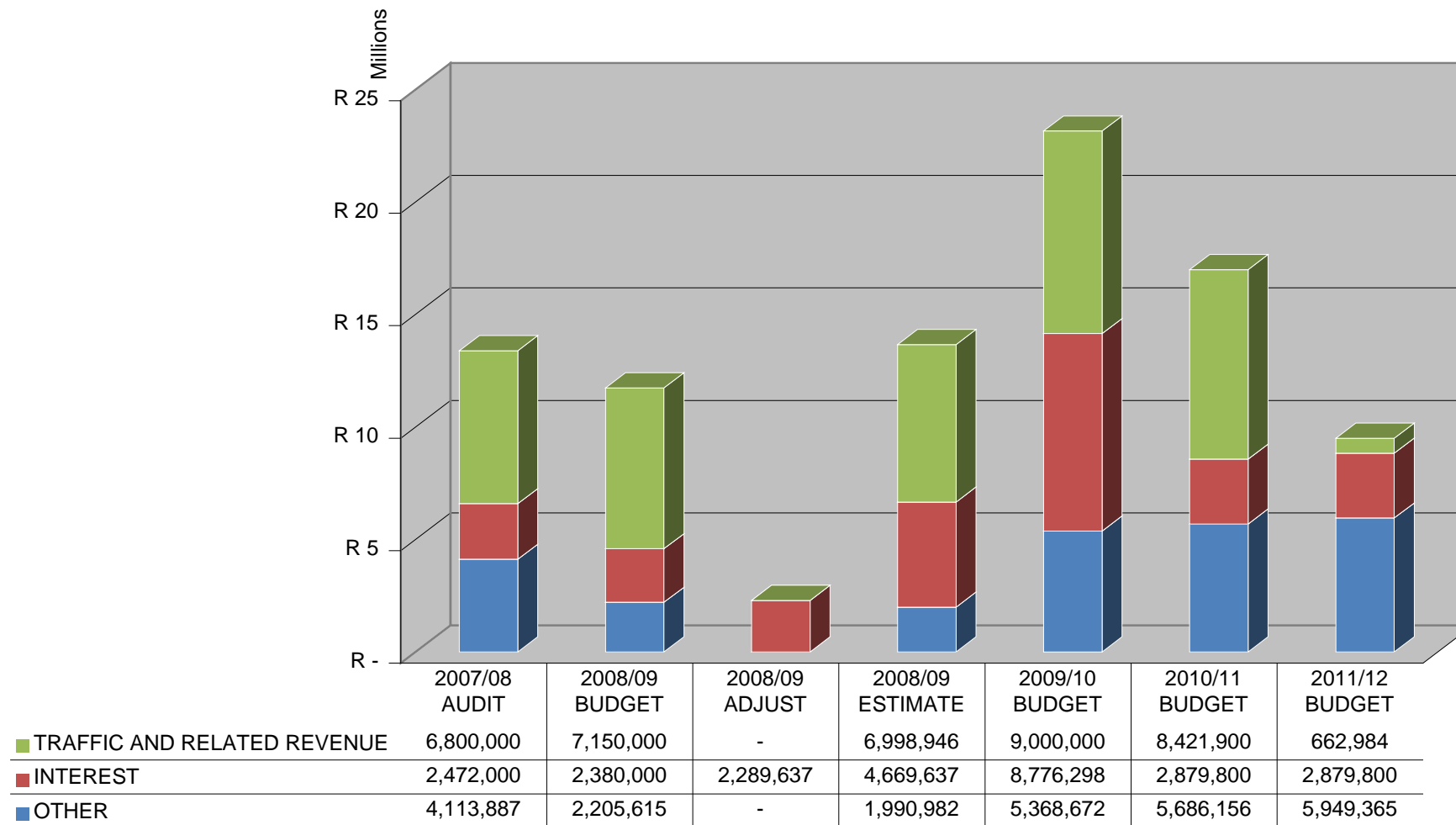
ANNEXURE 3

BUDGET RELATED CHARTS

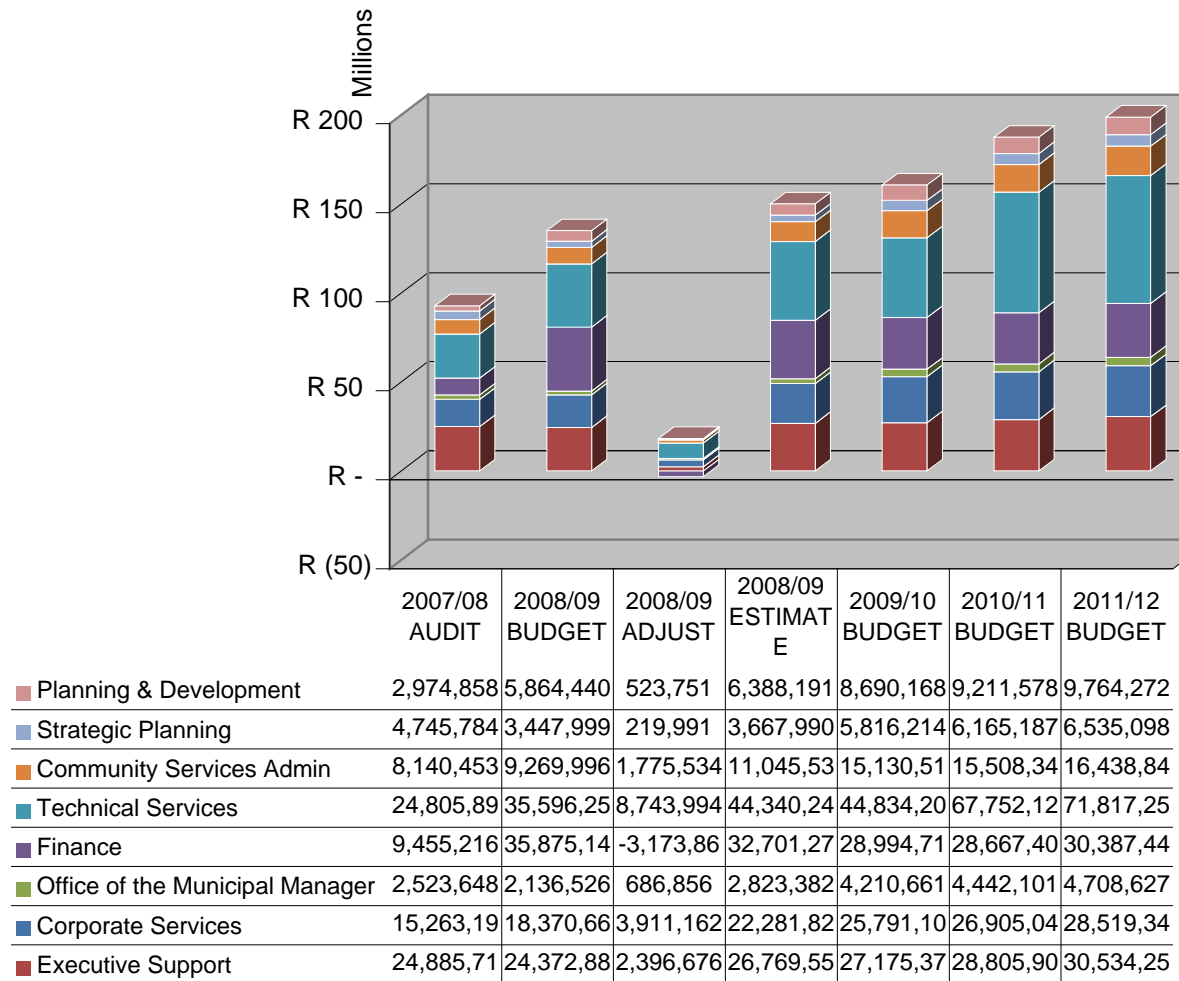
Revenue by Major Source



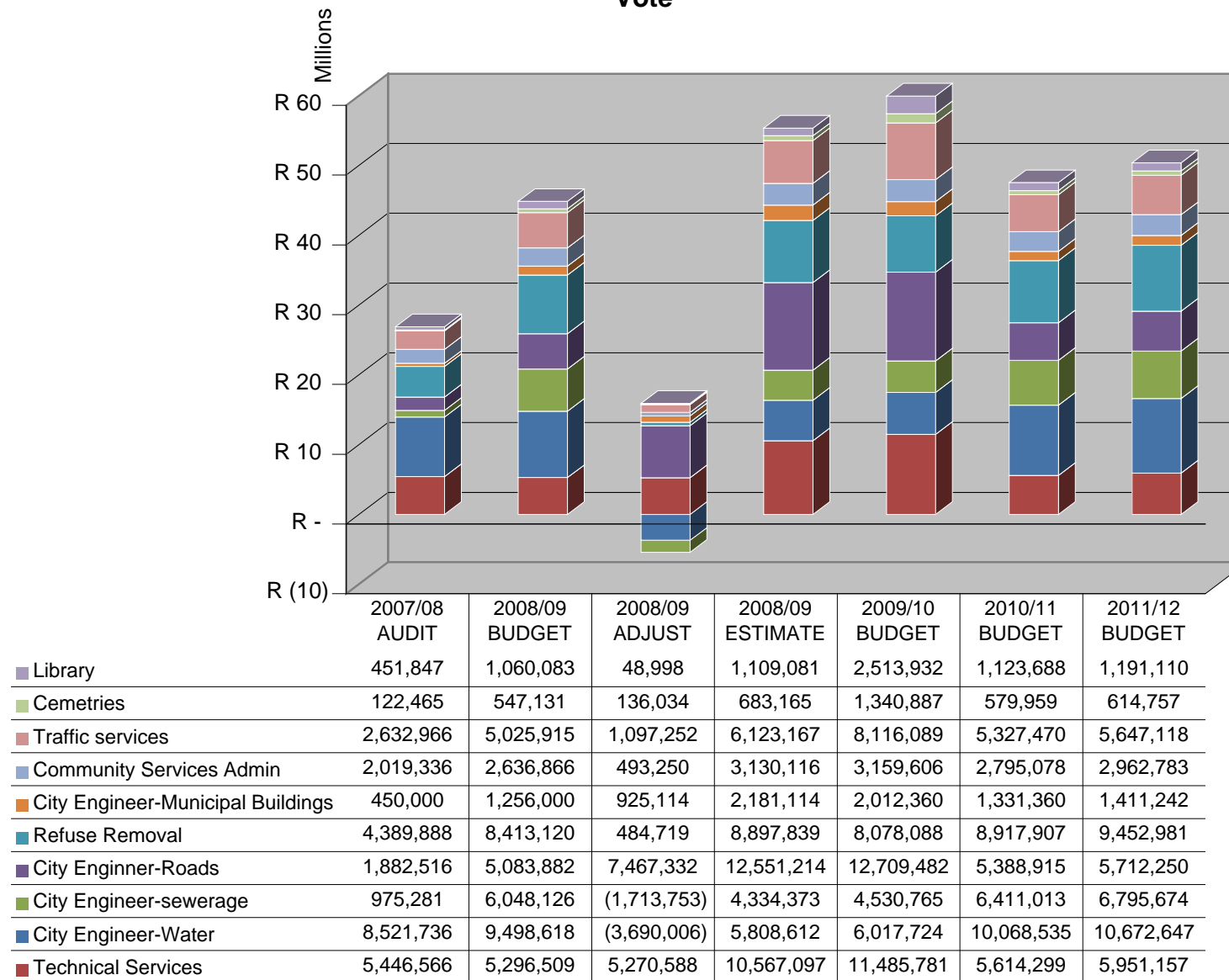
Revenue By Minor Source (break down of other from previous chart)



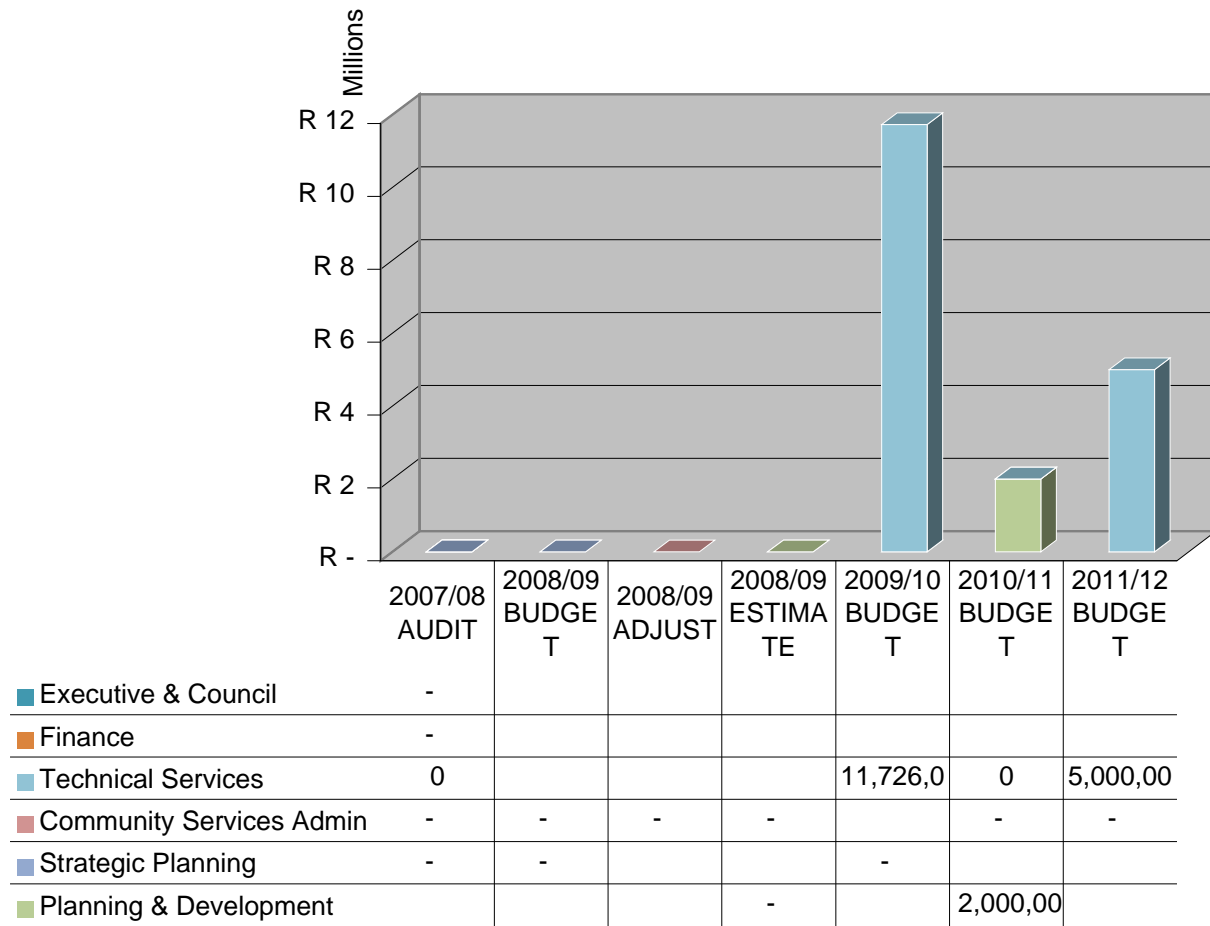
Operating Expenditure by Major Vote



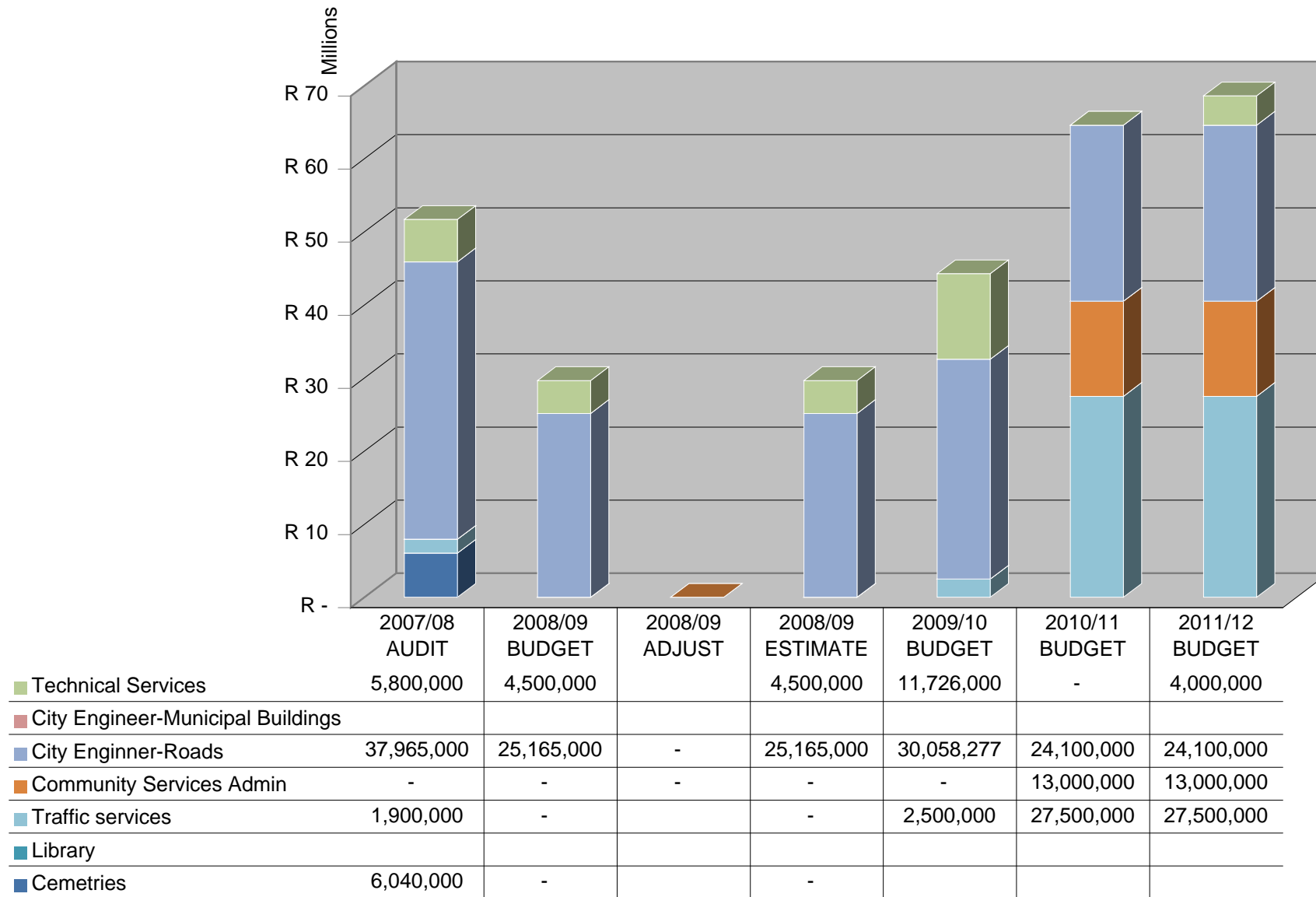
Operating Expenditure by Minor Vote



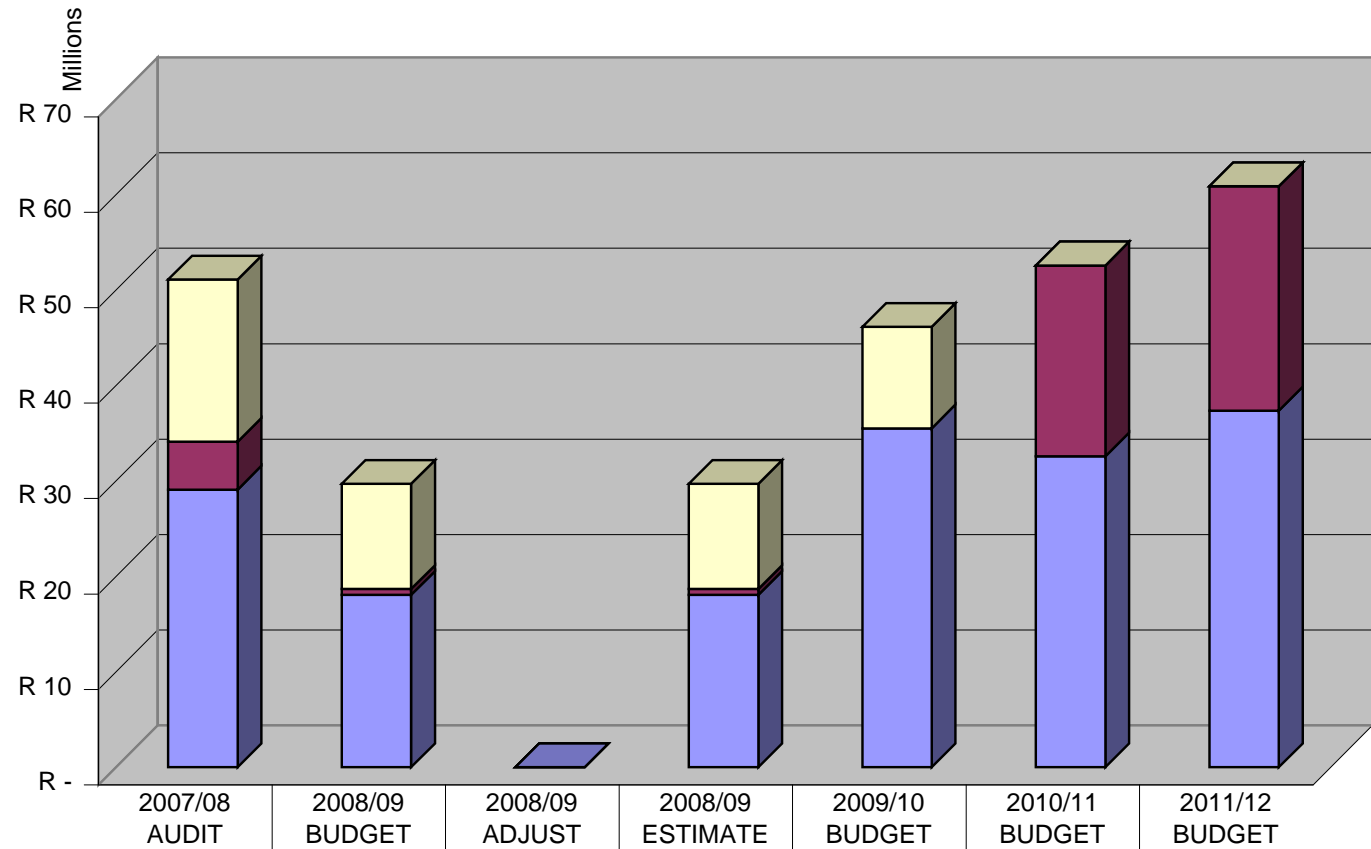
Capital Expenditure by Major Vote



Capital Expenditure by Minor Vote

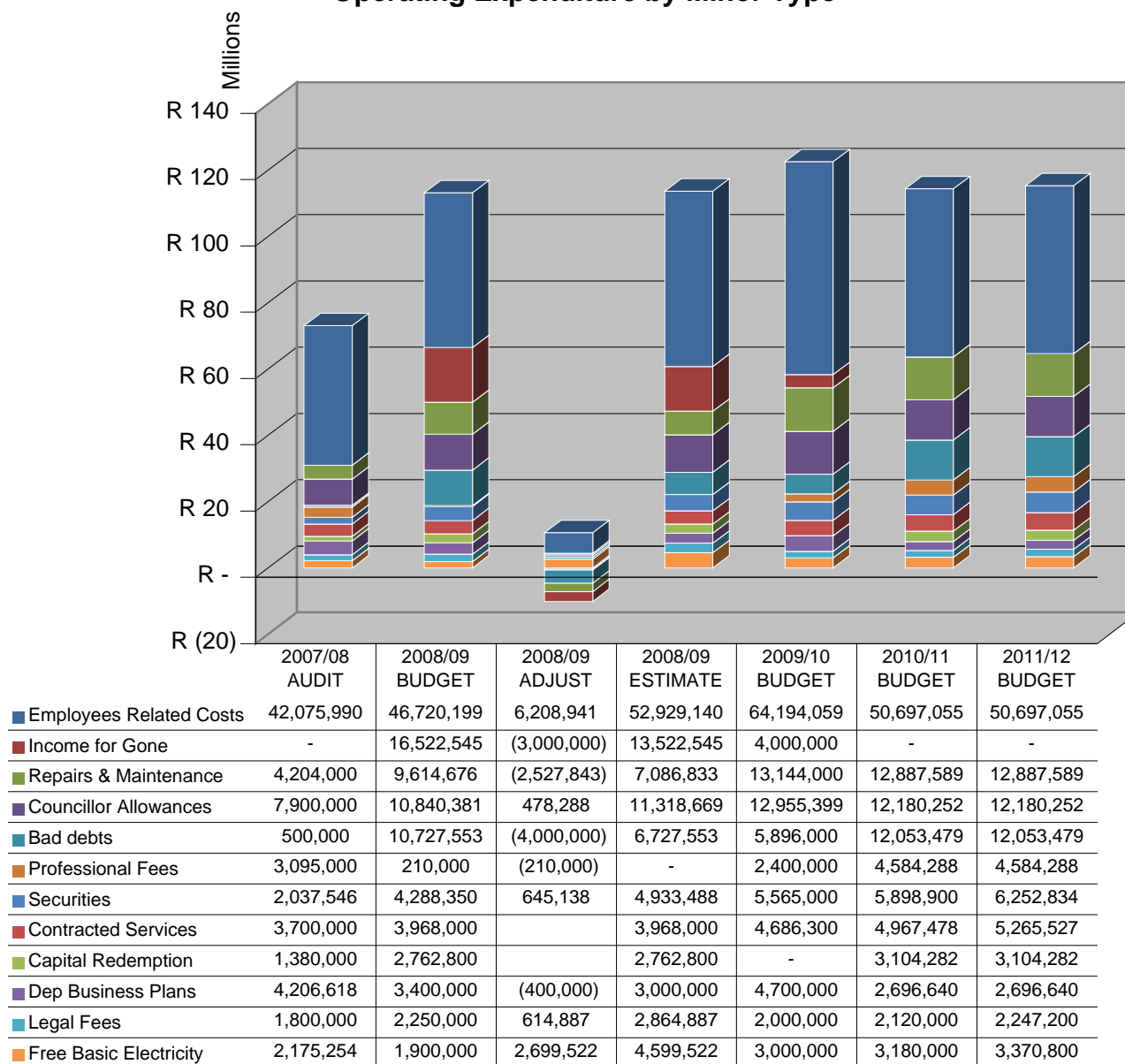


Capital Funding by Source

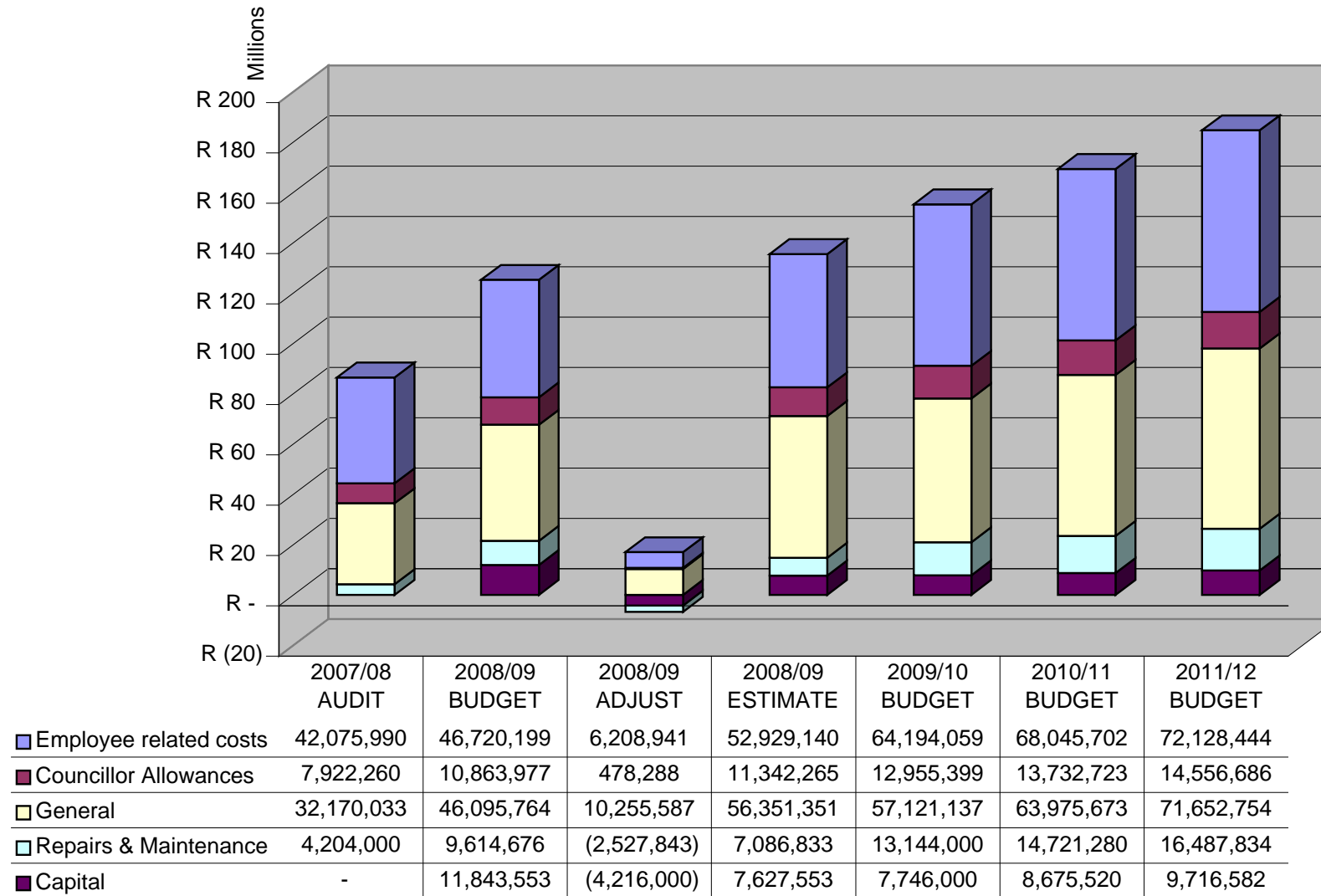


External Loans	17,000,000.00	11,000,000.00	-	11,000,000.00	10,640,000.00	-	-
Accumulated Surplus (Own Funds)	5,000,000.00	630,000.00	-	630,000.00	-	20,000,000.00	23,500,000.00
National Government Amounts allocated / gazetted for that year	29,076,317.00	18,035,000.00	-	18,035,000.00	35,494,277.00	32,560,000.00	37,350,000.00

Operating Expenditure by Minor Type



Operating Expenditure by Major Type



ANNEXURE 4
BUDGET SUPPORTING DOCUMENTS

GREATER TUBATSE MUNICIPALITY

SUPPORTING TABLE 1 RECONCILIATION OF IDP & BUDGET - REV		Preceding Year	Current Year			Medium Term Revenue and Expenditure Framework		
		2007/08	2008/09			Budget Year 2009/10	Budget Year +1 2010/09	Budget Year +2 2010/11
		Audited Actual R'000 A	Approved Budget R'000 B	Adjusted Budget R'000 C	Full Year Forecast R'000 D	Budget R'000 E	Budget R'000 F	Budget R'000 G
Strategic Objective	Action Plan							
Sustainable Services	Water	10,678,493	9,498,618	-3,690,006	5,808,612	12,585,739	14,096,028	15,787,551
Sustainable Services	Sanitation	4,034,580	6,048,126	-1,713,753	4,334,373	3,877,970	4,343,326	4,864,526
Sustainable Services	Waste Management	2,351,560	8,413,120	484,719	8,897,839	4,987,033	5,585,477	6,255,734
Sustainable Services	Community	28,000,000	2,636,866	493,250	3,130,116	-	-	-
Infrastructure	Roads & Stormwater	28,599,000	10,380,390	12,737,920	23,118,310	37,855,877	42,398,582	47,486,412
Infrastructure	Cemeteries	30,000	547,131	136,034	683,165	101,022	113,145	126,722
Infrastructure	Housing		1,256,000	925,114	2,181,114	4,660,000	5,219,200	5,845,504
Infrastructure	Sport Stadium 2010	3,171,317			-		-	-
Infrastructure	Elictricity				-	11,726,000	-	5,000,000
Infrastructure	Public Amenities	19,080			-		-	-
Good Governance	Executive and Council	30,933,196	26,509,408	3,083,532	29,592,940	913,500	1,023,120	1,145,894
Good Governance	Integrated Planning	45,875,000	3,447,999	219,991	3,667,990	-	-	-
Good Governance	Financial Management	10,252,400	35,875,141	-3,173,862	32,701,279	121,799,964	136,415,960	152,785,875
Good Governance	Human Resources Management		18,370,661	3,911,162	22,281,823	1,400,000	1,568,000	1,756,160
Environmental Management	Land Management				-		-	-
Economic Development	Local Economic Development		5,864,440	523,751	6,388,191	2,550,000	2,856,000	3,198,720
Social Development	Culture & Sport		1,060,083	48,998	1,109,081	15,000	16,800	18,816
Social Development	Public Participation				-		-	-
Safety & Security	Road Safety	10,000,000	5,025,915	1,097,252	6,123,167	9,000,000	10,080,000	11,289,600
Safety & Security	Fire & Rescue				-		-	-
Safety & Security	Disaster Management				-		-	-
Safety & Security	Security				-		-	-
TOTAL OPERATING REVENUE		173,944,626	134,933,898	15,084,102	150,018,000	211,472,105	223,715,638	255,561,514

Column Definitions:

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- F. The indicative projection for 2010/11
- G. The indicative projection for 2011/12

Notes:

- 1. The strategic objectives and action plans listed here are an example only. Each municipality must list their own as per their IDP.
- 2. Totals agree to totals of Revenue by Source (see Annexure 3, Table 1 - Revenue by Source on page 20)
- 3. Zeros are used where no amount is applicable

GREATER TUBATSE MUNICIPALITY

SUPPORTING TABLE 2 RECONCILIATION OF IDP & BUDGET - OPEX		Preceding Year	Current Year			Medium Term Revenue and Expenditure Framework		
		2007/08	2008/09			Budget Year 2009/10	Budget Year +1 2010/11	Budget Year +2 2011/12
						Budget R'000 E	Budget R'000 F	Budget R'000 G
Strategic Objective	Action Plan	Audited Actual R'000 A	Approved Budget R'000 B	Adjusted Budget R'000 C	Full Year Forecast R'000 D			
Sustainable Services	Water	5,529,913	9,498,618	-3,690,006	5,808,612	6,017,724	6,739,851	7,548,633
Sustainable Services	Sanitation	2,626,378	6,048,126	-1,713,753	4,334,373	4,530,765	5,074,457	5,683,392
Sustainable Services	Waste Management	5,574,466	8,413,120	484,719	8,897,839	8,078,088	9,047,459	10,133,154
Sustainable Services	Health				-		-	-
Sustainable Services	Community	9,398,863	2,636,866	493,250	3,130,116	3,159,606	3,538,759	3,963,410
Infrastructure	Roads & Stormwater	16,504,804	10,380,390	12,737,920	23,118,310	54,253,540	60,763,965	68,055,641
Infrastructure	Cemeteries		547,131	136,034	683,165	1,340,887	1,501,793	1,682,009
Infrastructure	Housing		1,256,000	925,114	2,181,114	6,362,360	7,125,843	7,980,944
Infrastructure	Sport Stadium 2010				-		-	-
Infrastructure	Elictricity				-	11,726,000	13,133,120	14,709,094
Infrastructure	Public Amenities	1,445,724			-		-	-
Good Governance	Support Services / Fleet				-		-	-
Good Governance	Strategic Planning	4,309,675	3,447,999	219,991	3,667,990	5,816,214	6,514,160	7,295,859
Good Governance	Financial Management	9,751,476	35,875,141	-3,173,862	32,701,279	28,994,719	32,474,085	36,370,976
Good Governance	Human Resources Management	15,582,190	18,370,661	3,911,162	22,281,823	25,391,100	28,438,032	31,850,596
Good Governance	Executive and Council	30,933,196	26,509,408	3,083,532	29,592,940	31,386,038	35,152,363	39,370,646
Environmental Management	Land Management				-		-	-
Economic Development	Local Economic Development	7,419,698	5,864,440	523,751	6,388,191	8,690,168	9,732,988	10,900,947
Social Development	Libraries		1,060,083	48,998	1,109,081	2,513,932	2,815,604	3,153,476
Social Development	Public Participation				-		-	-
Safety & Security	Protection services	4,321,231	5,025,915	1,097,252	6,123,167	8,116,089	9,090,020	10,180,822
Safety & Security	Fire & Rescue				-		-	-
Safety & Security	Disaster Management				-		-	-
Safety & Security	Security				-			
TOTAL OPERATING EXPENDITURE		113,397,614	134,933,898	15,084,102	150,018,000	206,377,230	231,142,498	258,879,597

Column Definitions:

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F. The indicative projection for 2010/11

G. The indicative projection for 2011/12

GREATER TUBATSE MUNICIPALITY

SUPPORTING TABLE 3 RECONCILIATION OF IDP & BUDGET - CAPEX		Preceding Year	Current Year			Medium Term Revenue and Expenditure Framework		
		2007/08	2008/09			Budget Year 2009/10	Budget Year +1 2010/11	Budget Year +2 2011/12
		Audited Actual R'000 A	Approved Budget R'000 B	Adjusted Budget R'000 C	Full Year Forecast R'000 D	Budget R'000 E	Budget R'000 F	Budget R'000 G
Strategic Objective	Action Plan							
Sustainable Services	Water						-	
Sustainable Services	Electricity					11,726,000		10,000,000
Sustainable Services	Sanitation							
Sustainable Services	Waste Management							
Sustainable Services	Health						-	
Sustainable Services	Community		4,500,000		4,500,000	4,350,000	3,000,000	13,000,000
Infrastructure	Roads & Stormwater		25,165,000		25,165,000	30,058,277	27,500,000	30,800,000
Infrastructure	Cemeteries					-	-	1,000,000
Infrastructure	Housing					-	-	150,000
Infrastructure	Sport Stadium 2010					-		200,000
Infrastructure	Open Space					-	-	-
Infrastructure	Public Amenities					-	-	300,000
Good Governance	Support Services / Fleet					-	-	750,000
Good Governance	Integrated Planning					-	12,000,000	33,000,000
Good Governance	Financial Management					-	-	
Good Governance	Human Resources Management					-		150,000
Good Governance	Executive and Council					-		
Environmental Management	Land Management					-		
Economic Development	Local Economic Development					-		
Social Development	Culture & Sport					-		
Social Development	Public Participation					-	-	
Safety & Security	Road Safety					-	-	2,580,000
Safety & Security	Fire & Rescue					-		50,000
Safety & Security	Disaster Management					-		
Safety & Security	Security					-		
TOTAL CAPITAL EXPENDITURE		-	29,665,000	-	29,665,000	46,134,277	42,500,000	91,980,000

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- E. The amount to be appropriated for the 2009/10 budget year.
- F. The indicative projection for 2010/11
- G. The indicative projection for 2011/12

GREATER TUBATSE MUNICIPALITY

SUPPORTING TABLE 4 INVESTMENT PARTICULARS BY TYPE	Preceding Year	Current Year			Medium Term Revenue and Expenditure Framework		
	2007/08	2008/09			Budget Year 2009/10	Budget Year +1 2010/11	Budget Year +2 2011/12
	Audited Actual R'000 A	Approved Budget R'000 B	Adjusted Budget R'000 C	Full Year Forecast R'000 D	Budget R'000 E	Budget R'000 F	Budget R'000 G
Investment Type							-
Securities - National Government							
Listed Corporate Bonds							
Deposits - Banks		10,000,000	-	10,000,000	3,600,000	5,000,000	10,000,000
Deposits - Public Investment Commissioners							
Deposits - Corporation for Public Deposits							
Bankers Acceptance Certificates							
Negotiable Certificate of Deposit - Banks							
Guaranteed Endowment Policies (sinking funds)							
Repurchase Agreements - Banks							
Municipal Bonds							
TOTAL INVESTMENTS	-	10,000,000	-	10,000,000	3,600,000	5,000,000	10,000,000

Column Definitions:

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- E. The amount to be appropriated for the 2009/10 budget year.
- F. The indicative projection for 2010/11
- G. The indicative projection for 2011/12

GREATER TUBATSE MUNICIPALITY

SUPPORTING TABLE 4a INVESTMENT PARTICULARS BY MATURITY	Period of Investment	Type of Investment	Expiry date of Investment	Monetary Value R'000	Interest to be Realised R'000
<u>Name of Institution / Investment ID</u> First National Bank		Call			

Notes:

List each investment by name of institution and investment identification number unique to that investment

GREATER TUBATSE MUNICIPALITY

SUPPORTING TABLE 5 GOVERNMENT GRANTS & SUBSIDIES - ALLOCATIONS ¹	Preceding Year 2007/08	Current Year 2008/09			Medium Term Revenue and Expenditure Framework		
	Audited Actual R'000 A	Approved Budget R'000 B	Adjusted Budget R'000 C	Full Year Forecast R'000 D	Budget Year 2009/10	Budget Year +1 2010/11	Budget Year +2 2011/12
					Budget R'000 E	Budget R'000 F	Budget R'000 G
National Grant Allocations²							
1. Equitable Share	45,875,000	54,989,000		54,989,000	74,350,000	91,888,000	100,280,000
2. FMG	250,000	500,000		500,000	735,000	500,000	500,000
3. MSIG	1,484,000	735,000		735,000	735,000	735,000	735,000
4. Free Basic Electricity Grant	-	-	2,499,522	2,499,522	-	-	-
5. Town / City Growth and Development	-	-	-	-	-1,500,000		
6. Integrated National Electrification (Grant)	-	-	-	-	11,726,000	-	5,000,000
6. MIG	14,599,000	18,035,000		18,035,000	25,952,000	25,900,000	21,206,000
7. Development of Valuation	-	-	-	-	-	-	-
8. NDPG	-	-	-	-	-	12,000,000	33,000,000
9. Subsidy From District	14,000,000	652,500		652,500	-		
Sub Total - National Grant Allocations	76,208,000	74,911,500	2,499,522	77,411,022	111,998,000	131,023,000	160,721,000
Provincial Grant Allocations²							
1. Purchase of Land		-		-	-		
Sub Total - Provincial Grant Allocations	-	-	-	-	-	-	-
Municipal Grant Allocations ³		-					
Sub Total - Municipal Grant Allocations	-	-	-	-	-	-	-
TOTAL GRANT ALLOCATIONS	76,208,000	74,911,500	2,499,522	77,411,022	111,998,000	131,023,000	160,721,000

Column Definitions:

A. The audited actual for 2007/08 as per the audited financial statements.

B. The original budget approved by council for the 2008/09 budget year.

C. The budget for 2008/09 budget year as adjusted by council resolution in terms of section 28 of the MFMA.

D. An estimate of final actual figures (pre audit) for the 2008/09 budget year at the point in time of preparing the budget for the 2009/10 budget year.

E. The amount to be appropriated for the 2009/10 budget year.

F. The indicative projection for 2010/11

G. The indicative projection for 2011/12

GREATER TUBATSE MUNICIPALITY

SUPPORTING TABLE 6 NEW BORROWING	Preceding Year 2007/08	Current Year 2008/09			Medium Term Revenue and Expenditure Framework		
					Budget Year 2009/10	Budget Year +1 2010/11	Budget Year +2 2011/12
	Audited Actual R'000 A	Approved Budget R'000 B	Adjusted Budget R'000 C	Full Year Forecast R'000 D	Budget R'000 E	Budget R'000 F	Budget R'000 G
<u>DBSA Loan</u>	17,000,000	10,000,000		10,000,000	10,640,000	0	0
NEW BORROWING							

Column Definitions:

A. The audited actual for 2007/08 as per the audited financial statements.

B. The original budget approved by council for the 2008/09 budget year.

C. The budget for 2008/09 budget year as adjusted by council resolution in terms of section 28 of the MFMA.

D. An estimate of final actual figures (pre audit) for the 2008/09 budget year at the point in time of preparing the budget for the 2009/10 budget year.

E. The amount to be appropriated for the 2009/10 budget year.

F. The indicative projection for 2010/11

G. The indicative projection for 2011/12

Notes:

Use separate line for each new borrowing

GREATER TUBATSE MUNICIPALITY

SUPPORTING TABLE 7 GRANT ALLOCATIONS	Preceding Year 2007/08	Current Year 2008/09			Medium Term Revenue and Expenditure Framework		
					Budget Year 2009/10	Budget Year +1 2010/11	Budget Year +2 2011/12
	Audited Actual R'000 A	Approved Budget R'000 B	Adjusted Budget R'000 C	Full Year Forecast R'000 D	Budget R'000 E	Budget R'000 F	Budget R'000 G
<u>Allocations to Other Municipalities¹</u>							
1.							
2.							
3.							
etc							
TOTAL ALLOCATIONS TO MUNICIPALITIES	-	-	-	-	-	-	-
<u>Allocations to Entities & Other External Mechanisms²</u>							
1.					-		
2.					-		
3.					-		
etc					-		
TOTAL ALLOCATIONS TO ENTITIES ETC	-	-	-	-	-	-	-
<u>Allocations to Other Organs of State³</u>							
1.							
2.							
3.							
etc							
TOTAL ALLOCATIONS TO OTHER ORGANS OF STATE	-	-	-	-	-	-	-
<u>Allocations to Other Organisations⁴</u>							
1.							
2.							
3.							
etc							
TOTAL ALLOCATIONS TO OTHER ORGANISATIONS	-	-	-	-	-	-	-

Column Definitions:

A. The audited actual for 2007/08 as per the audited financial statements.

B. The original budget approved by council for the 2008/09 budget year.

C. The budget for 2008/09 budget year as adjusted by council resolution in terms of section 28 of the MFMA.

D. An estimate of final actual figures (pre audit) for the 2008/09 budget year at the point in time of preparing the budget for the 2009/10 budget year.

E. The amount to be appropriated for the 2009/10 budget year.

F. The indicative projection for 2010/11

G. The indicative projection for 2011/12

GREATER TUBATSE MUNICIPALITY

TABLE 8	Salary	Social	Allowances	Performance	Total
SALARIES, ALLOWANCES & BENEFITS	Rand ('000) pa	Contributions⁴ Rand ('000) pa	Rand ('000) pa	Bonuses Rand ('000) pa	Package Rand ('000) pa
<u>Councillors</u>					
Each political office bearer ³ by designation					
Mayor	389,028		145,656		534,684
Speaker	311,220		119,724		430,944
Chief whip	295,818		113,244		409,062
Port-folio head-finance	295,818		113,244		409,062
Port-folio head-corporate services	295,818		113,244		409,062
Port-folio head-economic development	295,818		113,244		409,062
Port-folio head-technical services	295,818		113,244		409,062
all other councillors	7,031,504		2,516,760		9,548,264
	9,210,842	-	3,348,360	-	12,559,202
<u>Officials of the Municipality</u>					
Municipal Manager (MM)	918,677			128,615	1,047,292
Chief Finance Officer	808,655			113,212	921,867
Senior managers reporting to MM by designation	787,564			110,259	897,823
manager-corporate services	787,564			110,259	897,823
manager- technical	787,564			110,259	897,823
manager- community services	787,564			110,259	897,823
manager- strategic planning	787,564			110,259	897,823
manager- economic development	787,564			110,259	897,823
Each official with package >= senior manager by designation	1,974,027				1,974,027
TOTAL COST OF REMUNERATION TO MUNICIPALITY	17,637,585	-	3,348,360	903,380	21,889,325

Notes:

1. Total package must equal the total cost to the municipality.
2. Political office bearer is defined in MFMA s 1: speaker, executive mayor, deputy executive mayor, member of executive committee, mayor, deputy mayor, member of mayoral committee, the councillor designated to exercise powers and duties of mayor (MFMA s 57)
3. Social contributions include pensions, medical aid,uifs,bargainings.

GREATER TUBATSE MUNICIPALITY

SUPPORTING TABLE 8a SUMMARY OF TOTAL SALARIES, WAGES, ALLOWANCES etc	Preceding Year 2007/08	Current Year 2008/09			Medium Term Revenue and Expenditure Framework		
	Audited Actual R'000 A	Approved Budget R'000 B	Adjusted Budget R'000 C	Full Year Forecast R'000 D	Budget Year 2009/10	Budget Year +1 2010/11	Budget Year +2 2011/12
					Budget R'000 E	Budget R'000 F	Budget R'000 G
Councillors (Political Office Bearers plus Other)							
Basic Salaries	6,882,744	7,582,406		7,582,406	9,210,842	10,131,926	11,145,119
Pension Contributions				-			
Medical Aid Contributions				-			
Allowances	2,778,624	3,257,975	478,288	3,736,263	3,348,360	3,683,196	4,051,516
Sub Total - Councillors	9,661,368	10,840,381	478,288	11,318,669	12,559,202	13,815,122	15,196,634
Senior Managers of the Municipality (s 57 of Systems Act)							
Basic Salaries	2,780,400	6,689,982		6,689,982	8,426,743	9,269,417	10,196,359
Pension Contributions				-			
Medical Aid Contributions				-			
Allowances	802,656	-		-			
Performance Bonus	350,000	698,387		698,387	903,380	993,718	1,093,090
Sub Total - Senior Managers of Municipality	3,933,056	7,388,369	-	7,388,369	9,330,123	10,263,135	11,289,449
Other Municipal Staff							
Basic Salaries	19,015,866	23,126,640	5,275,229	28,401,869	35,397,774	38,937,551	42,831,307
Pension Contributions	3,956,145	5,101,318		5,101,318	5,611,450	6,172,595	6,789,855
Medical Aid Contributions	525,198	3,485,216		3,485,216	3,833,738	4,217,112	4,638,823
Allowances	1,117,325	5,560,854	933,713	6,494,567	7,144,024	7,858,426	8,644,269
Overtime	1,007,533			-			
Annual Bonuses	1,499,917	2,057,801		2,057,801	2,876,950	3,164,645	3,481,110
Sub Total - Other Municipal Staff	27,121,984	39,331,830	6,208,942	45,540,772	54,863,936	60,350,330	66,385,363
Grand totals	40,716,408	57,560,580	6,687,230	64,247,810	76,753,261	84,428,587	92,871,446

Column Definitions:

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- B. The original budget approved by council for the 2008/09 budget year.
- C. The budget for 2008/09 budget year as adjusted by council resolution in terms of section 28 of the MFMA.
- D. An estimate of final actual figures (pre audit) for the 2008/09 budget year at the point in time of preparing the budget for the 2009/10 budget year.
- E. The amount to be appropriated for the 2009/10 budget year.
- F. The indicative projection for 2010/11
- G. The indicative projection for 2011/12

GREATER TUBATSE MUNICIPALITY

SUPPORTING TABLE 8b SUMMARY OF PERSONNEL NUMBERS (Full Time Equivalent)	Preceding Year 2007/08	Current Year 2008/09			Medium Term Revenue and Expenditure Framework		
	Audited Actual No. A	Approved Budget No. B	Adjusted Budget No. C	Full Year Forecast No. D	Budget Year 2009/10	Budget Year +1 2010/11	Budget Year +2 2011/12
					Budget No. E	Budget No. F	Budget No. G
Municipality							
Councillors (Political Office Bearers plus Other)	57	57	0	57	57	57	57
Senior Managers including Municipal Manager (s 57 of Systems Act)	6	7	0	7	7	7	7
Other Managers	9	21	0	21	21	21	21
Technical / Professional Staff	46	56	0	56	56	56	56
Other Staff (clerical, labourers etc)	96	132	0	132	132	132	132
TOTAL PERSONNEL NUMBERS	214	273	0	273	273	273	273

Column Definitions:

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- B. The original budget approved by council for the 2008/09 budget year.
- C. The budget for 2008/09 budget year as adjusted by council resolution in terms of section 28 of the MFMA.
- D. An estimate of final actual figures (pre audit) for the 2008/09 budget year at the point in time of preparing the budget for the 2009/10 budget year.
- E. The amount to be appropriated for the 2009/10 budget year.
- F. The indicative projection for 2010/11
- G. The indicative projection for 2011/12

GREATER TUBATSE MUNICIPALITY

SUPPORTING TABLE 9 MONTHLY CASH FLOWS	Budget July 2009 R'000	Budget August 2009 R'000	Budget September 2009 R'000	Budget October 2009 R'000	Budget November 2009 R'000	Budget December 2009 R'000	Budget January 2010 R'000	Budget February 2010 R'000	Budget March 2010 R'000	Budget April 2010 R'000	Budget May 2010 R'000	Budget June 2010 R'000	Budget Full Year 2009/10 R'000	Budget Full Year 2010/11 R'000	Budget Full Year 2011/12 R'000
Cash Operating Receipts by Source															
Assessments Rates	-3,092,460	-3,092,460	-3,092,460	-3,092,460	-3,092,460	-3,092,460	-3,092,460	-3,092,460	-3,092,460	-3,092,460	-3,092,460	-3,092,460	-37,109,516	-39,336,087	-41,696,252
Refuse Fees	-415,586	-415,586	-415,586	-415,586	-415,586	-415,586	-415,586	-415,586	-415,586	-415,586	-415,586	-415,586	-4,987,033	-5,286,255	-5,603,430
Sewerage Fees	-333,164	-333,164	-333,164	-333,164	-333,164	-333,164	-333,164	-333,164	-333,164	-333,164	-333,164	-333,164	-3,997,970	-4,237,848	-4,492,199
Water	-786,312	-786,312	-786,312	-786,312	-786,312	-786,312	-786,312	-786,312	-786,312	-786,312	-786,312	-786,312	-9,435,739	-5,649,981	-6,214,979
Equitable Share	-24,783,333				-24,783,333			-24,783,333					-74,350,000	-91,888,000	-100,280,000
Financial Management Grant				-750,000									-750,000	-550,000	-605,000
Mun. System improve Grant	-367,500					-367,500							-735,000	-735,000	-735,000
Municipal Infrastructure Grant	-108,133	-108,133	-108,133	-108,133	-108,133	-108,133	-108,133	-108,133	-108,133	-108,133	-108,133	-108,133	-1,297,600	-955,855	-1,013,206
Institutional Grant	-913,500						-						-913,500	-820,000	-950,000
Permits Licences	-9,125	-9,125	-9,125	-9,125	-9,125	-9,125	-9,125	-9,125	-9,125	-9,125	-9,125	-9,125	-110,000	-318,000	-337,080
Building Plan & Inspection Fees	-33,333	-33,333	-33,333	-33,333	-33,333	-33,333	-33,333	-33,333	-33,333	-33,333	-33,333	-33,333	-400,000	-374,000	-411,400
Cemetries Fees	-8,419	-8,419	-8,419	-8,419	-8,419	-8,419	-8,419	-8,419	-8,419	-8,419	-8,419	-8,419	-101,022	-41,926	-108,691
Library Fee	-833	-833	-833	-833	-833	-833	-833	-833	-833	-833	-833	-833	-10,000	-1,760	-1,936
Clearance Certificate	-6,554	-6,554	-6,554	-6,554	-6,554	-6,554	-6,554	-6,554	-6,554	-6,554	-6,554	-6,554	-78,650	-71,500	-78,650
Driver's Licences	-91,667	-91,667	-91,667	-91,667	-91,667	-91,667	-91,667	-91,667	-91,667	-91,667	-91,667	-91,667	-1,100,000	-1,350,000	-1,500,000
Current and General	-118,442	-118,442	-118,442	-118,442	-118,442	-118,442	-118,442	-118,442	-118,442	-118,442	-118,442	-118,442	-1,421,298	-1,380,000	-1,500,500
Interest on Investment	-125,000	-125,000	-125,000	-125,000	-125,000	-125,000	-125,000	-125,000	-125,000	-125,000	-125,000	-125,000	-1,500,000	-748,000	-822,800
LG-SETA						-100,000							-200,000		
Learner's Licences	-100,833	-100,833	-100,833	-100,833	-100,833	-100,833	-100,833	-100,833	-100,833	-100,833	-100,833	-100,833	-1,210,000	-605,000	-665,500
Offsetting Of Depreciation	-433,333	-433,333	-433,333	-433,333	-433,333	-433,333	-433,333	-433,333	-433,333	-433,333	-433,333	-433,333	-5,200,000	-6,000,000	-6,700,000
Application fees	-73,333	-73,333	-73,333	-73,333	-73,333	-73,333	-73,333	-73,333	-73,333	-73,333	-73,333	-73,333	-880,000	-1,100	-1,210
Natis Registration Fees	-333,333	-333,333	-333,333	-333,333	-333,333	-333,333	-333,333	-333,333	-333,333	-333,333	-333,333	-333,333	-4,000,000	-3,300,000	-3,630,000
Outdoor Advertisement	-54,167	-54,167	-54,167	-54,167	-54,167	-54,167	-54,167	-54,167	-54,167	-54,167	-54,167	-54,167	-650,000	-700,000	-700,000
Connection Fee	-20,833	-20,833	-20,833	-20,833	-20,833	-20,833	-20,833	-20,833	-20,833	-20,833	-20,833	-20,833	-250,000	-320,000	-387,000
Penalties	-16,667	-16,667	-16,667	-16,667	-16,667	-16,667	-16,667	-16,667	-16,667	-16,667	-16,667	-16,667	-200,000	-220,000	-242,000
Reconnection Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-8,250	-9,075
Rent of Property	-25,833	-25,833	-25,833	-25,833	-25,833	-25,833	-25,833	-25,833	-25,833	-25,833	-25,833	-25,833	-310,000	-328,600	-348,316
Subsidies from Province	-125,000	-125,000	-125,000	-125,000	-125,000	-125,000	-125,000	-125,000	-125,000	-125,000	-125,000	-125,000	-1,500,000	-7,210,007	-7,377,128
Sundry Income Fees	-242,083	-242,083	-242,083	-242,083	-242,083	-242,083	-242,083	-242,083	-242,083	-242,083	-242,083	-242,083	-2,905,000	-3,079,300	-3,264,058
Town Plan Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-297,759	-327,545
Traffic Fines	-141,667	-141,667	-141,667	-141,667	-141,667	-141,667	-141,667	-141,667	-141,667	-141,667	-141,667	-141,667	-1,700,000	-1,802,000	-1,910,120
Valuation Certificate	-42	-42	-42	-42	-42	-42	-42	-42	-42	-42	-42	-42	-500	-550	-605
Cash Operating Receipts by Source	-32,760,486	-6,696,152	-6,696,152	-7,446,152	-31,479,486	-7,163,652	-6,696,152	-31,479,486	-6,696,152	-6,696,152	-6,696,152	-6,796,152	-157,302,828	-177,616,778	-191,913,680
Other Cash Receipts by Source															
Interest on Outstanding Debtors	-471,250	-471,250	-471,250	-471,250	-471,250	-471,250	-471,250	-471,250	-471,250	-471,250	-471,250	-471,250	-5,655,000	-5,994,300	-6,353,958
Electrification Grant	-977,167	-977,167	-977,167	-977,167	-977,167	-977,167	-977,167	-977,167	-977,167	-977,167	-977,167	-977,167	-11,726,000	-	-5,000,000
Etc MIG	-2,054,533	-2,054,533	-2,054,533	-2,054,533	-2,054,533	-2,054,533	-2,054,533	-2,054,533	-2,054,533	-2,054,533	-2,054,533	-2,054,533	-24,654,400		
External Loan	-10,640,000	-886,667	-886,667	-886,667	-886,667	-886,667	-886,667	-886,667	-886,667	-886,667	-886,667	-886,667	-10,640,000		
Investments	-300,000	-300,000	-300,000	-300,000	-300,000	-300,000	-300,000	-300,000	-300,000	-300,000	-300,000	-300,000	-3,600,000	-5,000,000	-10,000,000
TOTAL Other Cash Receipts by Source	-14,442,950	-4,689,617	-4,689,617	-4,689,617	-4,689,617	-4,689,617	-4,689,617	-4,689,617	-4,689,617	-4,689,617	-4,689,617	-4,689,617	-56,275,400	-10,994,300	-21,353,958
Total Cash Receipts by Source	-47,203,436	-11,385,769	-11,385,769	-12,135,769	-36,169,102	-11,853,269	-11,385,769	-36,169,102	-11,385,769	-11,385,769	-11,385,769	-11,485,769	-213,578,228	-188,611,078	-213,267,638

Cash Operating Payments by Type															
Employee related costs	5,349,505	5,349,505	5,349,505	5,349,505	5,349,505	5,349,505	5,349,505	5,349,505	5,349,505	5,349,505	5,349,505	5,349,505	64,194,059	68,045,702	72,128,444
Remuneration of Councillors	1,079,617	1,079,617	1,079,617	1,079,617	1,079,617	1,079,617	1,079,617	1,079,617	1,079,617	1,079,617	1,079,617	1,079,617	12,955,399	11,515,815	12,206,764
General costs	4,760,095	4,760,095	4,760,095	4,760,095	4,760,095	4,760,095	4,760,095	4,760,095	4,760,095	4,760,095	4,760,095	4,760,095	57,121,137	68,664,554	72,784,427
Repairs and maintenance	1,095,333	1,095,333	1,095,333	1,095,333	1,095,333	1,095,333	1,095,333	1,095,333	1,095,333	1,095,333	1,095,333	1,095,333	13,144,000	14,721,280	16,487,834
Contribution to Funds	491,333	491,333	491,333	491,333	491,333	491,333	491,333	491,333	491,333	491,333	491,333	491,333	5,896,000		
Cash Operating Payments by Type	12,775,883	12,775,883	12,775,883	12,775,883	12,775,883	12,775,883	12,775,883	12,775,883	12,775,883	12,775,883	12,775,883	12,775,883	153,310,595	162,947,351	173,607,469
Other Cash Payments by Type															
Capital Expenditure	3,844,523	3,844,523	3,844,523	3,844,523	3,844,523	3,844,523	3,844,523	3,844,523	3,844,523	3,844,523	3,844,523	3,844,523	46,134,277	103,362,960	103,433,938
Working Capital	190,197	190,197	190,197	190,197	190,197	190,197	190,197	190,197	190,197	190,197	190,197	190,197	2,282,360		
Loans repaid	154,167	154,167	154,167	154,167	154,167	154,167	154,167	154,167	154,167	154,167	154,167	154,167	1,850,000	2,928,568	3,104,282
TOTAL Other Cash Receipts by Source	3,998,690	4,188,886	4,188,886	4,188,886	4,188,886	4,188,886	4,188,886	4,188,886	4,188,886	4,188,886	4,188,886	4,188,886	50,266,637	106,291,528	106,538,220
Total Cash Payments by Type	16,774,573	16,964,769	16,964,769	16,964,769	16,964,769	16,964,769	16,964,769	16,964,769	16,964,769	16,964,769	16,964,769	16,964,769	203,577,232	269,238,879	280,145,689

NET INCREASE / (DECREASE) IN CASH & INVESTMENTS	(30,428,863)	(24,849,863)	(19,270,862)	(14,441,862)	(33,646,195)	(28,534,695)	(22,955,694)	(42,160,027)	(36,581,027)	(31,002,027)	(25,423,026)	(19,944,026)	(29,945,022)	50,682,779	117,560,829
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- Notes:
- The items listed are as per the cash items shown in the specimen statement of financial performance plus additional cash items.
 - This supporting table can thus be prepared based on the budgeted statement of financial performance after taking into account non-collectible amounts, timing of collections and other cash items.
 - Delete sources and types that are not applicable.
 - Insert additional sources and types that are not listed in the specimen financial statements. The specimen should be comprehensive and the need list additional sources should not be great.
 - All budgeted amounts must be classified under a particular source or type.
 - This statement is not intended to measure cash as per the bank statement. It measures the change in cash and investments and therefore will not show amounts invested or redeemed from investments.
 - Opening and closing balances may be added to provide further information if desired.

GREATER TUBATSE MUNICIPALITY

SUPPORTING TABLE 10		
ANNUAL MEASURABLE PERFORMANCE OBJECTIVES	Unit of Measurement	Annual Target 2009/10
Department - Municipal Managers Office		
Vote: Executive and Council		
Budget consultation meetings held	No. of meetings	12
Produce municipal booklet	Booklet produced in Sept	1
Performance agreements and contracts signed	No. of contracts signed on time	6
General ward meetings per ward	No. of meetings	4
etc		
Department - Corporate Services		
Vote: Finance & Administration		
Employee reward system developed	Completed in November	1
Job descriptions developed for all staff	Completed in September	1
etc		
Department - Planning and Development		
Vote: Planning & Development		
City plan reviewed and published	Completed in October	1
Building inspections conducted	No. of building inspections	500
etc		
Department - Community Services		
Vote: Community & Social Services		
New libraries built	No. of new libraries built	1
etc		
Department - Technical Services		
Vote: Electricity		
New Electricity connections	No. of new electricity connections	4000
Percentage of HH that meet agreed service levels	HH achieving agreed levels / total	95%
Percentage of HH that meet agreed service standards	HH achieving agreed stds / total	100%
Percentage of electricity losses	KW billed / KW used by muni	15
Employment through job creation schemes	No. temporary jobs created	200
Employment through job creation schemes	No. permanent jobs created	50
Vote: Water		
New Water connections	No. of new water connections	2000
Percentage of water losses	KL Billed / KL used by muni	20
Percentage of HH that meet agreed service levels	HH achieving agreed levels / total	95%
Percentage of HH that meet agreed service standards	HH achieving agreed stds / total	100%
Vote: Road Transport		
km of new road for prev unserviced areas	No. of kilometres	400
etc		
Vote: Waster Management		
Percentage of HH with no rubbish disposal	No. of HH without / total HH	15%
Vote: Waste Water management		
Percentage of HH with no toilet provision	No. of HH without / total HH	12%
Department - Chief Finance Officer		
Vote: Finance & Administration		
Percentage of property valuations disputed	No. disputed / total No.	10%
Percentage of creditors payments on time	No. Paid on Time / total No.	100%
etc		

GREATER TUBATSE MUNICIPALITY

<div>TABLE 11</div> <div>CAPITAL EXPENDITURE BY CATEGORY</div>	Preceding Year 2007/08	Current Year 2008/09			Medium Term Revenue and Expenditure Framework		
	Audited Actual R'000 A	Approved Budget R'000 B	Adjusted Budget R'000 C	Full Year Forecast R'000 D	Budget Year 2009/10	Budget Year +1 2010/11	Budget Year +2 2011/12
					Budget R'000 E	Budget R'000 F	Budget R'000 G
INFRASTRUCTURE	45,665,000	25,165,000	-	25,165,000	41,784,277	27,500,000	28,100,000
Roads, pavements, bridges and stormwater	38,765,000	25,165,000	-	25,165,000	30,058,277	27,500,000	24,100,000
Electricity reticulation	5,000,000	-		-	11,726,000	-	4,000,000
Other	1,900,000	-		-	-	-	
COMMUNITY		4,500,000	-	4,500,000	4,350,000	3,000,000	40,500,000
Community halls					4,350,000	3,000,000	13,000,000
Other	6,040,000	-		-			
HERITAGE ASSETS							
INVESTMENT PROPERTIES							
OTHER ASSETS							
SPECIALISED VEHICLES							
TOTAL CAPITAL EXPENDITURE¹	45,665,000	29,665,000	-		46,134,277	30,500,000	68,600,000

Column Definitions:

A. The audited actual for 2007/08 as per the audited financial statements.

B. The original budget approved by council for the 2008/09 budget year.

C. The budget for 2008/09 budget year as adjusted by council resolution in terms of section 28 of the MFMA.

D. An estimate of final actual figures (pre audit) for the 2008/09 budget year at the point in time of preparing the budget for the 2009/10 budget year.

E. The amount to be appropriated for the 2009/10 budget year.

F. The indicative projection for 2010/11

G. The indicative projection for 2011/12

GREATER TUBATSE MUNICIPALITY

Process Plan Overview – 2009/10

Table below indicates the approved process plan followed in the compilation of the GTM IDP/Budget for the financial year 2008/08.

Table 1: Process plan for IDP/Budget preparation

KEY ACTIVITIES	RESPONSIBLE	TIME FRAME
Review of Previous Year IDP/budget Process & Completion of Evaluation Checklist	Mayor	July 2008
Review Options & Contracts for Service Delivery	Directors & Managers	July 2008
Table in a time schedule outlining key deadlines for preparing, tabling and approving the IDP & Budget Review	Mayor	August 2008
Establishment of Committees & Consultation Forum for Budget/IDP	Mayor	August 2008
Determine revenue projections and proposed rates and services charges and draft initial allocation to functions and department for the next financial year	Chief Financial Officer	September 2008
Engage with Provincial & National Sector Department on Sector Specific Programmed for alignment with Municipality Plans	Strategic Planning	October 2008
Review & Draft initial changes to IDP	Strategic Planning	November 2008
Council to consider and finalise tariffs policies for the next financial year	Mayor	December 2008
Consolidate & Prepare the proposed budget & plans for the next financial year taking into account performance of the previous financial year	Municipal Managers Directors & Managers	December 2008
Review proposed National & Provincial allocation to Municipality for incorporation into the draft IDP/Budget	Strategic Planning	January 2009
Finalised and submit to the Mayor, the proposed Budget & Plans for the next three financial years taking into account the mid-year review	Chief Financial Officer	February 2009
Tabling final Budget & Proposed review of the IDP to Council	Mayor	March 2009
Public Hearing on IDP/Budget review	Mayor	April 2009
Table final Budget & IDP to Council for approval	Mayor	May 2009
Submission of draft SDBIP for the 2008/08 financial year	Strategic Planning	14 June 2009
Approval SDBIP within 28 days after the approval of the budget and entrust that the annual performance agreements are concluded	Mayor	28 June 2009
Finalisation of system of Delegation	Council	June 2009
Publish adopted IDP/Budget & plans	Strategic Planning	June 2009

2. Roles and Responsibilities in the IDP process

Given the structure which was put in place and functions at present, the following roles and responsibilities were assigned to the different role players to ensure that the different components of the IDP are integrated. Table 2 below defines the different functions:

Table 2: Institutional Roles and Responsibilities for the IDP Process

STRUCTURE	FUNCTION
Municipal council	<ul style="list-style-type: none"> Consider and adopt a Process Plan Consider, adopt and approve the IDP
Executive Committee - Chaired by the Mayor	<ul style="list-style-type: none"> Decide on the process plan Be responsible for the overall management, co-ordination and monitoring of the process and drafting of the IDP, or for the delegation of this function to the Municipal Manager. Approve nominated persons to be in charge of the different roles, activities and responsibilities of the process and drafting.
Ward Councillors	<ul style="list-style-type: none"> Link the planning process to their constituencies and/or wards Be responsible for organising public consultation and participation Ensure that the annual business plans and municipal budget are linked to and based on the IDP.
IDP Manager	<ul style="list-style-type: none"> Prepare the Process Plan Undertake the overall management and co-ordination of the planning process Ensure that all relevant role-players are appropriately involved Nominate persons in charge of different roles Be responsible for the day-to-day management of the drafting process Ensure that the planning process is participatory, strategic and implementation-orientated and that it is aligned with, and satisfies sector planning requirements Respond to comments on the draft IDP from the public Ensure horizontal alignment with other spheres of government to the satisfaction of municipal council Ensure proper documentation of the results of the planning of the IDP document Adjust the IDP in accordance with the proposals/ comments of the MEC for Local Government. <p>Even if the Municipal Manager delegates some of the functions to an IDP Manager, he still remains responsible and accountable.</p>

STRUCTURE	FUNCTION
Heads of Departments and Officials/Steering Committee	<ul style="list-style-type: none"> • Provide relevant technical, sector and financial information to be analysed for determining priority issues • Contribute technical expertise in the consideration and finalisation of strategies and identification of projects • Provide departmental operational capital • Provide budgetary information • Take the responsibility for preparing amendments to the draft IDP for submission to the municipal council for approval and the MEC for Local Government for alignment.
Project Programme and Sectoral Task Team	Will be appointed by Representative Forum/Steering Committee to investigate specific tasks.
IDP Representative Forum	<p>The forum will be responsible for:</p> <ul style="list-style-type: none"> • Representing the interests of their constituents in the IDP process • Providing an organisational mechanism for discussion, negotiation and decision-making between the stakeholders and the Municipality • Ensuring communication between all the stake-holders' representatives • Monitoring the performance of the planning and implementation process. <p>The IDP Representative Forum Code of Conduct</p> <p>The code of conduct must include the following:</p> <ul style="list-style-type: none"> • Meeting schedule (frequency and attendance) • Agenda, facilitation and documentation of meetings • Purpose of forum • Regular feedback to constituents • Required majority for approval • Quorum requirements • Resolution of disputes (including Provincial assistance).

3. Needs Analysis

The needs analysis is the second component of the status quo. It focuses on including community based inputs into the process of formulating the IDP's. The information contained in this section was obtained during a range of workshops held with the different role-players of the IDP process, viz.

the wards, the IDP Steering Committee, Executive Committee and IDP Representative Forum (stakeholder organisations). The needs as expressed are listed and have been prioritised.

3.1 List of Ward Committee Needs

To determine the needs of the GTM residents a priority list sheet was distributed to the communities, which they had to complete listing their critical, needs. A summary of the needs identified is given below and it should be noted that it is not given in any order of priority or ranking.

The priorities are as follows:

<ul style="list-style-type: none"> • Water • Streets and roads • Electricity • RDP housing • Clinic and medical facilities • Community hall • Primary school facilities • Crèche facilities • Telecommunications – cell phone facilities • Sports facilities • Sanitation provision • Agriculture / farming • Recreational facilities • Library facilities • Secondary school facilities • Employment 	<ul style="list-style-type: none"> • Dams for farming purposes • Farming – poultry • Tertiary education • Telecommunications – land phones • Street signs • Traditional offices • Old age homes and facilities • Parks • Police station / home affairs office • Tourism • Street lights • MPCC projects • Animal projects • Post office 	<ul style="list-style-type: none"> • Cemetery • Community facilities • Street crossings • Shopping complex • Farming irrigation • Fire protection • Municipal personnel • Reduced rates and taxes • Transport • Municipal police • Skills training • Museum • Cultural village • Township proclamation • Solid waste
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3.1.2 Ranked Ward Committee Needs

The first analysis of the ward priorities indicated that there was a mixture of priorities depending on which infrastructure, services and facilities were available and which not. This necessitated a grouping or clustering of needs in order to determine the key factors. The outcome in order of priority is the following list of local needs:

1. Water
2. Streets and roads
3. Electricity
4. Education
5. Community facilities
6. Health infrastructure
7. Recreation
8. Housing (land tenure)
9. Agriculture
10. Telecommunications

3.2 Stakeholder Organisations

The other component of the IDP Representative Form, i.e. the stakeholder organisations produced a list of needs, which has been arranged in order of priority.

3.2.1 Priority Needs of the Stakeholder Organisations

First priority:	<ul style="list-style-type: none">• Water (for domestic and agricultural use)
Second priority:	<ul style="list-style-type: none">• Skills training (technical / technician based)
Third priority	<ul style="list-style-type: none">• Security• Job creation (poverty alleviation)• Health infrastructure (clinics and hospitals)

Fourth priority:	<ul style="list-style-type: none"> • Sports field and facilities • Light at public areas • Water at public areas • Training school • Taxi rank improvements • Change in municipal boundary
Fifth priority:	<ul style="list-style-type: none"> • Dialogue with GTM • Toilet facilities in public areas • Institution (disabled home) • Traditional offices • State assistance • Land ownership • Welfare • School • Electricity • Community hall • Telephone towers • Tourism • Information centre • Roads

The key issues were re-grouped into the four development environments, from which it transpires that the social needs of the people are rated highest.

Social sector:	<ul style="list-style-type: none"> • Skills training • Sports fields and facilities • Health infrastructure • Dialogue with GTM • Institution (disabled home) • State assistance • Welfare
Physical sector:	<ul style="list-style-type: none"> • Bulk water • Lights • Water reticulation • Sanitation • Electricity • Telephone towers • Taxi rank improvement
Economic sector:	<ul style="list-style-type: none"> • Job creation • Tourism • Land ownership
Institutional sector:	<ul style="list-style-type: none"> • Traditional offices • Information centre

3.3 IDP Steering Committee

Through a brainstorming session the following needs were identified by the IDP Steering Committee.

3.3.1 List of IDP Steering Committee Needs

The list contained below has not been ranked but simply reveals the different needs identified.

- Spatial Development Framework for the Greater Tubatse Municipality
- Spatial Development Framework for the Central Greater Tubatse Municipality
- Financial base for the GTM
- Bulk water supply for residential, industrial and agricultural needs, and reticulation where bulk services exist
- Solid waste development and management plan
- Municipal office space and accommodation
- Emergency services
- Better communication
- Better transportation infrastructure
- Electricity reticulation
- Job creation and LED issues
- Agricultural development
- Tourism development
- Technical and tertiary education.

3.3.2 Ranked Needs of the IDP Steering Committee

As the GTM is a young municipality formed from a number of municipal structures and is situated in and managed by two different provinces, the ranked priorities from the list above are:

- Financial base of the municipality
- Spatial municipal work plan and organisation
- Municipal accommodation and office space
- Job creation and LED issues

- Bulk water supply and reticulation
- Spatial development framework.

3.2 Executive Committee

During a *bosberaad* the Executive Committee identified several needs which were ranked according to their perceived priority.

3.2.1 Ranked Needs of the Executive Committee

1. Water	11. Recreation	20. Mobile police station
2. Electricity	12. Public toilets	21. Telephone (mobile telephone)
3. Roads	13. Industries	towers
4. Housing	14. Municipal offices	22. Fencing / cattle
5. Hawkers	15. Street and traffic lights	23. Post office / satellite post office
6. Agriculture	16. Cemetery	24. Old age village and pension pay
7. Tourism	17. Library	points upgrading
8. Waste removal	18. Multi-purpose cultural centre	25. Taxi rank and routes
9. Schools	19. Proclamation (land tenure)	26. Museum
10. Fire control, traffic and licensing		

4. Priorities

This section consists of a collective analysis derived from combining the needs of the various groups discussed above, viz.:

- The municipal wards of the GTM
- The executive committee of the GTM
- The IDP forum stakeholders
- The IDP steering committee

The needs that have been identified are listed below to provide an accumulated overview of needs by a wider spectrum of persons and bodies interested in the development and growth of GTM.

The analysis is formulated purely on a numerical basis as illustrated in the following table below.

Table 3: Summary Of Needs

CONCLUDED NEEDS ANALYSIS							
Sector	Needs	Ward Priorities	Council Priorities	Forum Stakeholders Priorities	Steering Committee Priorities	Points	Priority
Physical Sector	Water: Domestic	X	X	X	X	4	
	Farming			X		1	1
	Bulk			X	X	2	
	Electricity	X	X	X		3	3
	Roads, Streets & Bridges	X	X			2	4
	Housing	X	X			2	4
	Telecommunications	X	X			3	3
	Solid Waste	X	X		X	3	3
	Sanitation	X		X	X	1	5
	Cemetery	X	X			2	4
	Transport	X	X	X	X	4	2
Social Sector	Education (Schools)	X	X	X	X	4	1
	Community Facilities	X	X	X		3	2
	Health Infrastructure	X		X	X	3	2
	Recreation	X	X	X		3	2
	Police	X	X			2	3

CONCLUDED NEEDS ANALYSIS							
Sector	Needs	Ward Priorities	Council Priorities	Forum Stakeholders Priorities	Steering Committee Priorities	Points	Priority
Economic Sector	Agriculture	X	X		X	3	2
	Tourism		X	X	X	3	2
	Industries (Jobs)	X	X	X	X	4	1
	Land Tenure			X		1	3
Institutional Sector	Financial Base				X	1	3
	Municipal Accommodation		X	X	X	3	1
	Structure & Personnel	X			X	2	2
	Spatial Framework				X	1	3
	Change Boundaries			X		1	3
	Traditional Offices	X		X		2	2

5. Prioritisation of Needs

Finally the needs are listed in order of priority, related to the physical, social, economic and institutional sectors of GTM.

Table 4: Prioritised needs per sector

SECTOR	PRIORITY
Physical Sector	<ol style="list-style-type: none"> 1. Water (domestic, bulk agriculture) 2. Transport 3. <ol style="list-style-type: none"> (i) Electricity (ii) Solid Waste (iii) Telecommunications 4. <ol style="list-style-type: none"> (i) Roads, Streets, Bridges (ii) Housing (iii) Cemetery 5. Sanitation
Social Sector	<ol style="list-style-type: none"> 1. Education 2. <ol style="list-style-type: none"> (i) Community Facilities (ii) Health Infrastructure (iii) Recreation 3. Police
Economic Sector	<ol style="list-style-type: none"> 1. Job Creation 2. <ol style="list-style-type: none"> (i) Agriculture (ii) Tourism 3. Land Ownership (Tenure)
Institutional Sector	<ol style="list-style-type: none"> 1. Municipal Accommodation 2. <ol style="list-style-type: none"> (i) Municipal Structure and Personnel (ii) Traditional Offices 3. <ol style="list-style-type: none"> (i) Financial Base for Municipality (ii) Spatial Framework (iii) Change of Municipal boundaries



PROPERTY RATES POLICY IN TERMS OF THE MUNICIPAL PROPERTY RATES ACT

2009/2010 FINANCIAL YEAR

**DRAFT FOR APPROVAL BY COUNCIL
FOR COMMUNITY PARTICIPATION**

16 March 2009

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GREATER TUBATSE MUNICIPALITY
DRAFT PROPERTY RATES POLICY IN TERMS OF THE MUNICIPAL PROPERTY RATES ACT

A. INTERPRETATION

Definitions

“Act”, means the Local Government: Municipal Property Rates Act, 2004 (Act 6 of 2004);

“Agent”, in relation to the owner of a property-

- (a) to receive rental or other payments in respect of the property on behalf of the owner; or
- (b) to make payments in respect of the property on behalf of the owner;

“Agricultural purpose”, in relation to the use of a property, excludes the use of a property for the purpose of eco-tourism or for the trading in or hunting of game;

“Annually”, means once every financial year;

“Category” –

- (a) in relation to property, means a category of properties determined in terms of section 8 of the Act;
- (b) in relation to owners of properties, means a category of owners determined in terms of section 15 (2) of the Act;

“Category of properties”, means a category of properties determined according to the zoning, use of the property, permitted use of the property, or the geographical area in which the property is situated;

“Contiguous pieces of land held and occupied by one owner”, means where two or more continuous pieces of land are held and occupied by one owner and together comprise an area the extent of which is at least 5 hectares;

“Council” means the highest legislative body of the Greater Tubatse Local Municipality as referred to in section 157 (1) of the Constitution and section 18 (3) of the Local Government: Municipal Structures Act, 1998 (Act 117 of 1998);

“Economic services”, means services for which the tariffs are fixed to recover the full costs of the service, like refuse and sewer services;

“Effective date”-

- (a) in relation to a valuation roll, means the date on which the valuation roll takes effect, in terms of section 32 (1) of the Act, or
- (b) in relation to a supplementary valuation roll, means the date on which a supplementary valuation roll takes effect in terms of section 78 (b) of the Act;

“Exemption”, in relation to the payment of a rate, means an exemption from the payment of rates, granted by a municipality in terms of section 15;

“Financial year”, means the period starting from 1 July in a year to 30 June the next year;

“Illegal use”, means the use of a property in a manner that is inconsistent with or in contravention of the permitted use of the property;

“Improvement”, means any building or structure on or under a property, but excludes -

- (a) a structure constructed solely for the purpose of rendering the property suitable for the erection of any immovable structure thereon; and
- (b) any building, structure or equipment or machinery referred to in section 46(3) of the Municipal Property Rates Act;

“Local community”, in relation to a municipality -

- (a) Means that body of persons comprising-
 - (i) the residents of the municipality;
 - (ii) the ratepayers of the municipality;
 - (iii) any civic organizations and non-governmental, private sector or labour organizations or bodies which are involved in local affairs within the municipality; and
 - (iv) visitors and other people residing outside the municipality who, because of their presence in the municipality, make use of services or facilities provided by the municipality;
- (b) Includes, more specifically, the poor and other disadvantaged sections of such body of persons;

“Local municipality”, means a municipality that shares municipal executive and legislative authority in its area with a district municipality within whose area it falls, and which is described in section 155(1) of the Constitution as a category B municipality;

“Market value”, in relation to a property, means the amount a property would have realized if sold on the date of valuation in the open market by a willing seller to a willing buyer;

“MEC for Local Government”, means the member of the Executive Council of the Limpopo Provincial Government who is responsible for local government in the Limpopo Province;

“Multiple purposes”, in relation to a property, means the use of a property for more than one purpose;

“Municipal Manager”, means a person appointed in terms of section 82 of the Municipal Structures Act, 1998;

“Municipality”, means the Greater Tubatse Local Municipality;

“Municipal Finance Management Act” means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003);

“Municipal valuer” or **“valuer of a municipality”** means a person designated as a municipal valuer in terms of section 33(1) of the Act;

“Non-urban land” means land that is not situated in a proclaimed township, but that is used for residential or agricultural purposes or is not in use. Where the whole of a portion of non-urban land is used for business, industrial or mining purposes the market value of such land or portion of it must be recorded separately in the valuation roll and rated according to the applicable category;

“Occupier”, in relation to a property, means a person in actual occupation of a property, whether or not that person has a right to occupy the property;

“Owner”-

- (a) in relation to a property, means a person in whose name ownership of the property is registered;
- (b) in relation to a right means a person in whose name the right is registered;
- (c) in relation to a land tenure right means a person in whose name the right is registered; or to whom it was granted in terms of legislation; or
- (d) in relation to public service infrastructure, means the organ of state which owns or controls that public service infrastructure as envisaged in the definition of “publicly controlled”; provided that a person mentioned below may for the purposes of this Act be regarded by a municipality as the owner of a property in the following cases:-
 - (i) A trustee, in the case of a property in a trust excluding state trust land;
 - (ii) an executor or administrator, in the case of a property in a deceased estate;

- (iii) a trustee or liquidator, in the case of a property in an insolvent estate or in liquidation;
- (iv) a judicial manager, in the case of a property in the estate of a person under judicial management;
- (v) a curator, in the case of a property in the estate of a person under judicial management;
- (vi) a person in whose name a usufruct or other personal servitude is registered, in the case of a property that is subject to a usufruct or other personal servitude;
- (vii) a lessee, in the case of a property that is registered in the name of a municipality and is leased by it; or
- (viii) a buyer, in the case of a property that was sold by a municipality and of which possession was given to the buyer pending registration of ownership in the name of the buyer;

“Permitted use”, relation to a property, means the limited purposes for which the property may be used in terms of -

- (a) Any restrictions imposed by-
 - (i) a condition of title;
 - (ii) a provision of a town planning or land use scheme; or
 - (iii) any legislation applicable to any specific property or properties; or
- (b) Any alleviation of any such restrictions;

“Privately owned towns serviced by the owner” means single properties, situated in an area not ordinarily being serviced by the municipality, divided through sub division or township establishment into (ten or more) full title stands and/ or sectional units and where all rates related services inclusive of installation and maintenance of streets, roads, sidewalks, lighting, storm water drainage facilities, parks and recreational facilities are installed at the full cost of the developer and maintained and rendered by the residents of such estate.

“Property”, means-

- (a) immovable property registered in the name of a person including, in the case of a sectional title scheme, a sectional title unit registered in the name of a person;
- (b) a right registered against immovable property in the name of a person, excluding a mortgage bond registered against the property;

(c) a land tenure right registered in the name of a person or granted to a persons in terms of legislation; or

(d) public service infrastructure;

“Property register”, means a register of properties referred to in section 23 of the Act;

“Protected area”, refers to nature reserves, botanical gardens or national parks provided that the specific area/s is declared as a “Protected area” referred to in section 10 of the Protected Areas Act;

“Protected Areas Act” means the National Environmental Management: Protected Areas Act, 2003 (Act No. 57, of 2004);

“Publicly controlled”, means owned by or otherwise under the control of an organ of state, including -

(a) a public entity listed in the Public Finance Management Act, 1999 (Act No. 1 of 1999),

(b) a municipality; or

(c) a municipal entity as defined in the Municipal Systems Act;

“Public service infrastructure”, means publicly controlled infrastructure of the following kinds -

(a) national, provincial or other public road on which goods, services or labour move across a municipal boundary;

(b) water or sewer pipes, ducts or other conduits, dams, water supply reservoirs, water treatment plants or water pumps forming part of a water or sewer scheme serving the public;

(c) power stations, power substations or power lines forming part of an electricity scheme serving the public;

(d) gas or liquid fuel plants or refineries or pipelines for gas or liquid fuels, forming part of a scheme for transporting such fuels;

(e) railway lines forming part of national railway system;

(f) communication towers masts, exchanges or lines forming part of a communications system serving the public;

(g) runways or aprons at national or provincial airports;

- (h) breakwater, sea walls, channels, basin, quay walls, jetties, roads, railway or infrastructure used for the provision of water, lights, power, sewage or similar services of ports, or navigational aids comprising light houses, radio navigational aids, buoys, or any other device or system used to assist the safe and efficient navigation of vessels;
- (i) any other publicly controlled infrastructure as may be prescribed; or
- (j) rights of way, easements or servitudes in connection with infrastructure mention in paragraphs (a) to (i)

“Rate”, means a municipal rate on property envisaged in section 229(1)(a) of the Constitution;

“Rateable property”, means property on which a municipality may levy a rate, excluding property fully excluded from the levying of rates;

“Rebate”, in relation to a rate payable on a property, means a discount granted in terms of the amount of the rate payable on the property;

“Reduction”, in relation to a rate payable on a property, means the lowering of the amount for which the property was valued and the rating of the property at that lower amount;

“Residential property” means improved property that:

- (a) is used predominantly (60% or more) for residential purposes including any adjoining property registered in the name of the same owner and used together with such residential property as if it were one property. Any such grouping shall be regarded as one residential property for rate rebate or valuation reduction purposes.
- (b) is a unit registered in terms of the Sectional Title Act and used predominantly for residential purposes.
- (c) Is owned by a share-block company and used solely for residential purposes.
- (d) Is a residence used for residential purposes situated on property used for or related to educational purposes.
- (e) Retirement schemes and life right schemes used predominantly (60% or more) for residential purposes.

And specifically exclude hostels, flats, old age homes, guest houses and vacant land irrespective of its zoning or intended use.

“Sectional titles unit”, means a unit defined in section 1 of the Sectional Titles Act; 1986 (Act No. 95 of 1986);

“Specified public benefit activity”, means an activity listed as welfare and humanitarian, health care and education and development in Part 1 of the Ninth Schedule to the Income Tax Act;

“State trust land”, means land owned by the state in trust for persons communally inhabiting the land in terms of a traditional system of land tenure, land owned by the state over which land tenure rights were registered or granted or land owned by the state which is earmarked for disposal in terms of the Restitution of Land Rights Act, 1994 (Act No. 22 of 1994);

“Trading services”, means services for which the tariffs are fixed to yield a trading profit, like electricity and water services;

“Urban land”, means land that is situated within a proclaimed township; and

“Vacant land”, means:

- (a) Land on which no immovable improvements have been erected; or
- (b) Land where the value added by immovable improvements is less than 10% of the value of the land with no immovable improvements on it.

1. PURPOSE OF POLICY

- 1.1 The purpose of this policy is to allow Council to exercise its power to impose rates within a statutory framework, with the aim to enhance certainty, uniformity and simplicity, taking into account the historical imbalances within communities, as well as the burden of rates on the poor.
- 1.2 As trustees on behalf of the local community, the Municipality shall adhere to its legislative and moral obligation to ensure it implements this policy to safeguard the monetary value and future service provision invested in property.

2. LEGAL FRAMEWORK

- 2.1 This policy is mandated by Section 3 of the Local Government: Municipal Property Rates Act, 2004 (No. 6 of 2004), which specifically provides that a municipality must adopt a Rates Policy.
- 2.2 In terms of Section 229 of the Constitution of the Republic of South Africa, 1996 (No.108 of 1996), a municipality may impose rates on property.
- 2.3 In terms of the Local Government: Municipal Property Rates Act, 2004 (No. 6 of 2004) a municipality in accordance with-
 - a. Section 2(1), may levy a rate on property in its area; and

- b. Section 2(3), must exercise its power to levy a rate on property subject to-
 - i. Section 229 and any other applicable provisions of the Constitution;
 - ii. the provisions of the Property Rates Act and any regulations promulgated in terms thereof; and
 - iii. the rates policy.

- 2.4 In terms of Section 4 (1) (c) of the Local Government: Municipal Systems Act, 2000 (No. 32 of 2000), the municipality has the right to finance the affairs of the municipality by imposing, inter alia, rates on property.
- 2.5 In terms of Section 62(1)(f)(ii) of the Local Government: Municipal Finance Management Act, 2003 (No. 56 of 2003) the municipal manager must ensure that the municipality has and implements a rates policy.
- 2.6 This policy must be read together with, and is subject to the stipulations of the Local Government: Municipal Property Rates Act, 2004 (No. 6 of 2004) and any regulations promulgated in terms thereof from time to time.
- 2.7 This policy shall be applied with due observance of the Municipality's policy with regard to delegated powers. Such delegations refer to delegations between the Municipal Manager and other responsible officials; the Council and the Mayor as well as between Council and the Municipal Manager. All delegations in terms of this policy must be recorded in writing.

3. IMPOSITION OF PROPERTY RATES

- 3.1. The Council shall as part of each annual operating budget component impose a rate in the rand on the market value of all rateable property recorded in the municipality's valuation roll and supplementary valuation roll.
- 3.2 The Council shall, in imposing the rate for each financial year, take proper cognizance of the aggregate burden of rates and service charges on representative property owners, in the various categories of property ownership, and of the extent to which this burden is or remains competitive with the comparable burden in other municipalities within the local economic region.

3.3 Policy Principles

- 3.3.1 All ratepayers, in a specific category, as determined by Council from time to time, shall be treated equitably, as required by Section 3 (3) (a) of the Act;
- 3.3.2 Rates are raised in proportion to the market value of the property;
- 3.3.3 The municipal manager or his/her nominee must, subject to the guidelines provided by the National Treasury and the Executive Committee of the municipality, make provision for the following classification of services:-
- (a) Trading services
 - i. Water (on agency basis for the Greater Sekhukhune District Municipality).
 - (b) Economic services
 - i. Refuse removal.
 - ii. Sanitation (on agency basis for the Greater Sekhukhune District Municipality).
 - (c) Community and subsidised services - These include all those services ordinarily being rendered by the municipality excluding those mentioned in 3.3.3(a) and (b).
- 3.3.4 Trading and economic services as referred to in clauses 3.3.3(a) and (b) must be ring fenced and financed from service charges while community and subsidised services referred to in clause 3.3.3(c) will be financed from surpluses on trading and economic services, regulatory fees, rates and rates related income.
- 3.3.5 Property rates shall not be used to subsidize trading or economic services;
- 3.3.6 Exemptions, reductions and rebates should not unreasonably affect the income base of the municipality.
- 3.3.7 Therefore, pursuant to section 3 (3) (b) of the Act, it is the policy of the municipality, when –
- * levying different rates for different categories of properties;
 - * exempting a specific category of owners of properties, or the owners of a specific category of properties, from payment of a rate on their properties;

- * granting rebates; or
- * increasing rates;

To apply the following criteria -

- * poverty alleviation;
- * stimulation of industrial growth;
- * promotion of tourism;
- * creation of jobs;
- * maintenance of agricultural activity;
- * assist charity and other public benefit organizations;
- * this municipality's budgetary needs;
- * this municipality's integrated development plan; and
- * surpluses contributed by other services.

4. CATEGORIES OF RATEABLE PROPERTIES

4.1 Different rates may be levied in respect of the following categories of rateable properties and such rates will be determined on an annual basis during the compilation of the annual budget:-

4.1.1 Residential Properties (r)

- 4.1.1.1 r Residential 1
- 4.1.1.2 Parks owned by township owner
- 4.1.1.3 r2 Residential 2
- 4.1.1.4 r3 Residential 3

4.1.2 Government (g)

4.1.2.1 gb Business

4.1.2.2 ge Educational

4.1.2.3 gh Hospital or clinic

4.1.2.4 gp Police station

4.1.2.5 go Other

4.1.2.6 gr Residential

4.1.2.7 gmin Mining and related uses

4.1.3 b Business

4.1.4 ind Industrial

4.1.5 f Formal and informal settlements

4.1.6 il Illegal use

4.1.7 is Independent school

4.1.8 mun Municipal

4.1.9 min Mining and related uses

4.1.10 nr Nature reserve, national park or national botanical garden

4.1.11 nu Non-urban land

4.1.12 psi Public service infrastructure

4.1.13 pw Place of public worship or official residence

4.1.14 re Remaining extent of proclaimed township

- 4.2. In determining the category of a property referred to in 4.1 the municipality shall take into consideration the following criteria or a combination thereof:-
- 4.2.1 The formal zoning of the property;
 - 4.2.2 Township establishment approvals;
 - 4.2.3 The use of the property;
 - 4.2.4 Permitted use of the property; and
 - 4.2.5 The geographical area in which the property is situated.
- 4.3 In order to create certainty and to ensure consistency the criteria mentioned in 4.2 shall be applied as indicated below in order of priority and no deviation is permissible:
- 4.3.1 Properties shall first of all be categorised in accordance with their formal zoning. Town planning schemes, town establishment schemes and town planning regulations may be used to determine the formal zoning.
 - 4.3.2 If, for whatever reason, the status or zoning of a property cannot be determined in terms of 4.3.1 the actual use shall then be determined in order to appropriately categorise such property. All relevant information, including circumstantial evidence, may be taken into consideration in an attempt to determine for what purpose the property is being used. A physical inspection may be done to acquire the necessary information.
 - 4.3.3 The geographical area in which a property is situated may be used to assist in the categorisation of a property when the provisions of 4.3.1 cannot be applied. However, the geographical area as a criterion should not be used in isolation.
- 4.4 Properties used for multiple purposes shall be categorised and rated as provided for in section 9 of the Act. A property used for multiple purposes is, for rates purposes, assigned in terms of section 9 of the Act as follows:-
- 4.4.1 Properties in urban land shall be categorised and rated as provided in section 9(1)(b) of the Act to correspond with the dominant use of the property.

- 4.4.2 Properties in non-urban land shall be categorised and rated as provided in section 9(1)(c) of the Act to correspond to the multiple purposes for which the property is used. Where the whole or a portion of non-urban land is used for business, industrial or mining purposes the market value of such land or portion of it must be recorded separately in the valuation roll and rated according to the applicable category”.

5. CATEGORIES OF OWNERS

- 5.1 For the purpose of granting exemptions, reductions and rebates in terms of clauses 6,7 and 8 respectively the following categories of owners of properties are determined:-
- 5.1.1 Those owners who qualify and who are registered as indigents in terms of the adopted indigent policy of the municipality;
- 5.1.2 Those owners who do not qualify as indigents in terms of the adopted indigent policy of the municipality but whose total monthly income is less than the amount annually determined by the municipality in its budget;
- 5.1.3 Owners of property situated within an area affected by-
- 5.1.3.1 a disaster within the meaning of the Disaster Management Act, 2002 (Act No. 57 of 2002); or
- 5.1.3.2 serious adverse social or economic conditions.
- 5.1.4 Owners of residential properties with a market value below the amount as determined annually by the municipality in its budget; and
- 5.1.5 Owners of agricultural properties as referred to in clause 8.1(e).
- 5.1.6 Child headed families where any child of the owner or child who is a blood relative of the owner of the property, is responsible for the care of siblings or parents of the household.

6. EXEMPTIONS AND IMPERMISSIBLE RATES

6.1 The following categories of property are exempted from rates:-

(a) Municipal properties

Municipal properties are exempted from paying rates as it will increase the rates burden or service charges to property owners or consumers. However, where municipal properties are leased, the lessee will be responsible for the payment of determined assessment rates.

(b) Residential properties

All residential properties with a market value of less than the amount as annually determined by the municipality are exempted from paying rates. **For the 2009/2010 financial year the maximum reduction is determined as R30 000.** The impermissible rates of R15 000 contemplated in terms of section 17(1) (h) of the Property Rates Act is included in the amount referred to above as annually determined by the municipality. The remaining R15 000 is an important part of the council's indigent policy and is aimed primarily at alleviating poverty.

(c) Public Service Infrastructure

Is exempted from paying rates as allowed for in the Act as they provide essential services to the community.

(d) Right registered against a property

Any right registered against a property as defined in clause 2.15(b) of this policy is exempted from paying rates.

6.2 Exemptions in 6.1 will automatically apply and no application is thus required.

6.3 Impermissible Rates: In terms of section 17(1) of the Property Rates Act the municipality may, inter alia, not levy a rate:-

- (a) On those parts of a special nature reserve, national park or nature reserve within the meaning of the Protected Areas Act, or of a national botanical garden within the meaning of the National Environmental Management: Biodiversity Act, 2004, which are not developed or used for commercial, business, or residential agricultural purposes.
- (b) On mineral rights within the meaning of paragraph (b) of the definition of "property" in section 1 of the Act.

- (c) On a property belonging to a land reform beneficiary or his or her heirs, provided that this exclusion lapses ten years from the date on which such beneficiary's title was registered in the office of the Registrar of Deeds.
- (d) On a property registered in the name of and used primarily as a place of public worship by a religious community, including an official residence registered in the name of that community which is occupied by an office-bearer of that community who officiates at services at that place of worship.

6.4 Public Benefit Organisations (PBO's)

Taking into account the effects of rates on PBOs performing a specific public benefit activity and registered in terms of the Income Tax Act for tax reduction because of those activities, the following Public Benefit Organizations may apply for the exemption of property rates:-

- i. Sporting bodies
Property used by an organisation for sporting purposes on a non-professional basis.
- ii. Cultural institutions
Property used for purposes declared in terms of the Cultural Institutions Act, Act 29 of 1969 or the Cultural Institutions Act, Act 66 of 1989.
- iii. Museums, libraries, art galleries and botanical gardens
Property registered in the name of private persons, open to the public and not operated for gain.
- iv. Youth development organisations
Property owned and/or used by organisations for the provision of youth leadership or development programmes.
- v. Animal welfare
Property owned or used by organisations whose exclusive aim is to protect birds, reptiles and animals on a not-for-gain basis.
- vi. Cemeteries and crematoriums
Property used for cemeteries and crematoriums on a not-for-gain basis.
- vii. Charitable institutions
Property owned or used by institutions or organisations whose aim is to perform charitable work on a not-for-gain.

viii. Welfare institutions

Properties used exclusively as an orphanage, non-profit retirement villages, old age homes or benevolent/charitable institutions, including workshops used by the inmates, laundry or cafeteria facilities, provided that any profits from the use of the property are used entirely for the benefit of the institution and/or to charitable purposes within the municipality.

- 6.5 All possible benefiting organisations in clause 6.4 must apply annually for exemptions. All applications must be addressed in writing to the municipality by 31 August for the financial year in respect of which the rate is levied. If the exemption applied for is granted the exemption will apply for the full financial year.
- 6.6 Public benefit organisations must attach a SARS tax exemption certificate issued by the South African Revenue Services (SARS) as contemplated in Part 1 of the Ninth Schedule of the Income Tax Act, 1962 (No 58 of 1962) to all applications.
- 6.7 The municipality retains the right to refuse the exemption if the details supplied in the application form were incomplete, incorrect or false.
- 6.8 The extent of the exemptions implemented in terms of 6.1 to 6.4 must annually be determined by the municipality and included in the annual budget.

7. REDUCTIONS

- 7.1 Reductions as contemplated in section 15 of the Act. Will be considered on an ad-hoc basis in the event of the following:-
- 7.1.1 Partial or total destruction of a property.
- 7.1.2 Disasters as defined in the Disaster Management Act, 2002 (Act 57 of 2002).
- 7.2 The following conditions shall be applicable in respect of 7.1:-

- 7.2.1 The owner referred to in 7.1.1 shall apply in writing for a reduction and the onus will rest on such applicant to prove to the satisfaction of the municipality that his property has been totally or partially destroyed. He/ she will also have to indicate to what extent the property can still be used and the impact on the value of the property.
- 7.2.2 Property owners will only qualify for a rebate if affected by a disaster as referred to in the Disaster Management Act, 2002 (Act No. 57 of 2002).
- 7.2.3 A maximum reduction, to be determined on an annual basis, will be allowed in respect of both 7.1.1 and 7.1.2. For the 2008/2009 financial year the maximum reduction will amount to 80%.
- 7.2.4 An ad-hoc reduction will not be given for a period in excess of 6 months, unless the municipality gives further extension on application.
- 7.2.5 If rates were paid in advance prior to granting of a reduction the municipality will give credit to such an owner as from the date of reduction until the date of lapse of the reduction or the end of the period for which payment was made whichever occurs first.

8. REBATES

8.1. Categories of property

(a) Public Educational Institutions

The municipality grants a rebate as annually determined for property used by educational institutions declared or registered by law provided that an application in the prescribed format is received not later than 30 September of each year.

(b) Independent Schools

The municipality grants a rebate as annually determined for property used by registered independent schools for educational purposes only provided that an application in the prescribed format is received not later than 30 September of each year.

(c) Public Health Care Institutions

Properties used exclusively as a hospital, clinic or mental hospital, including workshops used by the inmates, laundry or cafeteria facilities, provided that any profits from the use of the property are used entirely for the benefit of the institution and/or to charitable purposes within the municipality.

(d) Business, commercial and industrial properties

- i. The municipality may grant rebates to rateable enterprises that promote local, social and economic development in its area of jurisdiction. The following criteria will apply:-
 - a. job creation in the municipal area;
 - b. social upliftment of the local community; and
 - c. creation of infrastructure for the benefit of the community.
- ii. A maximum rebate as annually determined by the municipality will be granted on approval, subject to:-
 - a. a business plan issued by the directors of the company indicating how the local, social and economic development objectives of the municipality are going to be met;
 - b. a continuation plan issued by the directors and certified by auditors of the company stating that the objectives have been met in the first year after establishment and how the company plan to continue to meet the objectives; and
 - c. an assessment by the municipal manager or his/her nominee indicating that the company qualifies.
- iii. All applications must be addressed in writing to the municipality by 31 August for the financial year in respect of which the rate is levied. If the rebate applied for is granted the rebate will apply for the full financial year.

(b) Privately owned towns serviced by the owner

The municipality grants an additional rebate, to be determined on an annual basis, which applies to privately owned towns serviced by the owner qualifying as defined in clause A of this policy. All applications must be addressed in writing to the municipality by 31 August for the financial year in respect of which the rate is levied. If the rebate applied for is granted the rebate will apply for the full financial year. For the 2009/2010 financial year the rebate is determined as 20%.

(c) Agricultural property rebate

- i. When considering the criteria to be applied in respect of any exemptions, rebates and reductions on any properties used for agricultural purposes the municipality must take into account:-
 - a. the extent of rates related services rendered by the municipality in respect of such properties.
 - b. the contribution of agriculture to the local economy.
 - c. the extent to which agriculture assists in meeting the service delivery and developmental objectives of the municipality; and
 - d. the contribution of agriculture to the social and economic welfare of farm workers.
- ii. In terms of section 84 of the Act the Minister for Provincial and Local Government, and in occurrence of the Minister of Finance as required through section 19 of the Act, may determine that a rate levied by the Council on a category of non residential property may not exceed the ratio to the rate on residential property.

In the absence of any such promulgation the municipality will apply the standard ratio for agricultural properties as 1:0.25 (75% rebate on the tariff for residential properties).
- iii. An additional rebate of maximum 10% in total will be granted by the municipality in respect of the following:-
 - a. 2,5% for the provision of accommodation in a permanent structure to farm workers and their dependants.
 - b. 2,5% if such residential properties are provided with potable water.
 - c. 2,5% if the farmer for the farm workers electrifies such residential properties.
 - d. 2,5% for the provision of land for burial to own farm workers and educational and recreational purposes to own farm workers as well as people from surrounding farms.
- vi. The granting of additional rebates is subject to the following:-
 - a. The farm owner must be taxed by SARS as a farmer and proof to this extent in the form of the last tax assessment must be submitted. If no such tax assessment can be submitted, proof is required that income from farming activities exceeds 40% of the household income.
 - b. All applications must be addressed in writing to the municipality by 31 August 2009 indicating how service delivery and development obligations of the municipality and contribution to the social and economic welfare of farm workers were met. This application will be required as a once off requirement. Any new applications for the 2010/2011 financial year and onwards must be addressed in writing to the municipality by 31 August for the financial year in respect of which the rate is levied. If the rebate applied for is granted the rebate will apply for the full financial year and such application again regarded as a once off requirement.

- c. Council reserves the right to send officials or its agents to premises/households receiving relief on annual basis for the purpose of conducting an on-site audit of the details supplied. The onus also rests on recipients to immediately notify Council of any changes in their original application.
- d. The municipality retains the right to refuse the exemption if the details supplied in the application form were incomplete, incorrect or false.
- v. No other rebates will be granted to properties that qualify for the agricultural rebate. For the avoidance of doubt, properties that qualify for the agricultural rebate will not be entitled to the residential rate exemption as set out in clause 6.1(b) of this policy.

8.2 Categories of owners

Indigent owners and child headed families will receive a 100% rebate from rates:-

(a) Indigent households

- i. The municipality grants a rebate as annually determined to those owners who qualify and who are registered as indigents in terms of the adopted indigent policy of the municipality. If qualifying in terms of the indigent policy this 100% rebate will automatically apply and no further application is thus required.;

(b) Child headed families

- i. Families headed by children qualify for special rebates according to monthly household income. To qualify for the rebate the head of the family must:-
 - a. occupy the property as his/her normal residence;
 - b. not be older than 18 years of age;
 - c. still be a scholar or jobless; and
 - d. be in receipt of a total monthly income from all sources not exceeding an amount to be determined annually by the Municipality; For the 2009/2010 financial year this amount is determined as R3 000 per month.
- ii. The family head must apply on a prescribed application form for registration as a child headed household and must be assisted by the municipality with completion of the application form. If qualifying, this rebate will automatically apply and no further application is thus required.

- iii. Applications must be accompanied by:-
 - a. a certified copy of the identity document or any other proof of the applicant's age which is acceptable to the municipality;
 - b. sufficient proof of total household income;
 - c. an affidavit from the applicant;
- iv. These applications must reach the municipality before the end of October preceding the start of the new municipal financial year for which relief is sought.
- v. The municipality retains the right to refuse rebates if the details supplied in the application form were incomplete, incorrect or false.

(c) Retired and Disabled Persons Rate Rebate

- i. Retired and Disabled Persons qualify for special rebates according to monthly household income. To qualify for the rebate a property owner must:-
 - a. occupy the property as his/her normal residence;
 - b. not be the owner of more than one property;
 - c. be at least 60 years of age or in receipt of a disability pension from the Department of Welfare and Population Development;
 - d. be in receipt of a total monthly income from all sources (including income of spouses of owner) not exceeding an amount annually determined by the Municipality. For the 2009/2010 financial year this amount is determined as R4 000.00 per month; and
 - e. provided that where the owner is unable to occupy the property due to no fault of his/her own, the spouse or minor children may satisfy the occupancy requirement.
- ii. Property owners must apply on a prescribed application form for a rebate as determined by the municipality.
- iii. Applications must be accompanied by:-
 - a. a certified copy of the identity document or any other proof of the owners age which is acceptable to the municipality;
 - b. sufficient proof of income of the owner and his/her spouse;
 - c. an affidavit from the owner;
 - d. if the owner is a disabled person proof of a disability pension payable by the state must be supplied; and
 - e. if the owner has retired at an earlier stage for medical reasons proof thereof must be submitted.
- iv. All applications must be addressed in writing to the municipality by 31 August for the financial year in respect of which the rate is levied. If the rebate applied for is granted the rebate will apply for the full financial year. For the 2009/2010 financial year the total monthly income and corresponding rebate is determined as follows:-

- a. R0 to R8 000 per month - 40%.
- v. The municipality retains the right to refuse the exemption if the details supplied in the application form were incomplete, incorrect or false.

8.3 Properties with a market value below a prescribed valuation level of a value to be determined annually by the Municipality may, instead of a rate being determined on the market value, be rated a uniform fixed amount per property.

8.4 The extent of the rebates granted in terms of 8.1 and 8.2 must annually be determined by the municipality and included in the annual budget.

9. PHASING IN OF RATES

9.1 The rates to be levied on newly rateable property shall be phased in as explicitly provided for in section 21 of the Act.

9.2 The phasing-in discount on the properties referred to in section 21 shall be as follows:-

- First year : 2007/2008 75% of the relevant rate;
- Second year : 2008/2009 50% of the relevant rate; and
- Third year : 2009/2010 25% of the relevant rate.

9.3 No rates shall be levied on newly rateable properties that are owned and used by organisations conducting activities that are beneficial to the public and that are registered in terms of the Income Tax Act for those activities, during the first year. The phasing-in discount on these properties shall be as indicated below:-

- First year : 100% of the relevant rate;
- Second year : 75% of the relevant rate;
- Third year : 50% of the relevant rate; and
- Fourth year : 25% of the relevant rate.

10. SPECIAL RATING AREAS

- 10.1 The municipality may from time to time, as provided for in Section 22 of the Act, and as to be depicted in its annual budget and by resolution of the Council, determine a certain area within the boundaries of the municipality, as a special rating area.
- 10.2 Before determining a special rating area, the municipality shall:-
- 10.2.1 Proposed boundaries of the special rating area;
 - 10.2.2 Statistical data of the area concerned giving a comprehensive picture of the number of erven with its zoning, services being rendered and detail of services such as capacity, number of vacant erven and services that are not rendered;
 - 10.2.3 Proposed improvements clearly indicating the estimated costs of each individual improvement;
 - 10.2.4 Proposed financing of the improvements or projects;
 - 10.2.5 Priority of projects if more than one;
 - 10.2.6 Social economic factors of the relevant community;
 - 10.2.7 Different categories of property;
 - 10.2.8 The amount of the proposed special rating;
 - 10.2.9 Details regarding the implementation of the special rating;
 - 10.2.10 The additional income that will be generated by means of this special rating.
- 10.3 An additional rate, as will be depicted in the annual budget, shall be levied on the properties in the identified area, for the purpose of raising funds for improving or upgrading of the specified area.

- 10.4 The municipality may differentiate between categories of properties when levying the additional special rate.
- 10.5 The municipality shall establish separate accounting and other record-keeping systems for the identified area and the households concerned shall be kept informed of projects and financial implications on an annual basis.
- 10.6 The municipality shall establish a committee, composed by representatives from the specific area, to act as consultative and advisory forum. This committee shall be a sub-committee of the ward committee/s in the area. The election of the committee will happen under the guidance of the Municipal Manager. Gender representivity shall be taken into consideration with the establishment of the committee. The committee will serve in an advisory capacity only and will have no decisive powers.
- 10.7 In determining the special additional rates the municipality shall differentiate between different categories as referred to in clause 4.
- 10.8 The additional rates levied shall be utilised for the purpose of improving or upgrading of the specific area only and not for any other purposes whatsoever.

11. PAYMENT OF RATES

- 11.1 The rates levied on the properties shall be payable:-
- (a) on a monthly basis; or
 - (b) annually, before 30 September each year.
- 11.2 the municipality shall determine the due dates for payments in monthly installments and the single annual payment and this date shall appear on the accounts forwarded to the owner/ tenant/ occupants/ agent;
- 11.3 Rates payable on an annual basis, excluding annual rates levied on state owned properties, will be subject to a discount of 5% if paid in full on or before 30 September of each year;
- 11.4 Interest on arrears rates, whether payable on or before 30 September or in equal monthly installments, shall be calculated in accordance with the

provisions of the credit control, debt collection and indigent policy of the municipality.

- 11.5 If a property owner who is responsible for the payment of property rates in terms of this policy fails to pay such rates in the prescribed manner, it will be recovered from him/her in accordance with the provisions of the Credit Control, Debt Collection and indigent policy of the Municipality.
- 11.6 Arrears rates shall be recovered from tenants, occupiers and agents of the owner, in terms of section 28 and 29 of the Act and the Municipality's credit control and debt collection by-law.
- 11.7 Rates levied on property in sectional title schemes, shall be payable by the owner of each unit.
- 11.8 Rates levied on property in sectional title schemes, where the Body Corporate is the owner of any specific sectional title unit, shall be payable by the Body Corporate.

12. ACCOUNTS TO BE FURNISHED

- 12.1 The municipality will furnish each person liable for the payment of rates with a written account, which will specify:
- (i) the amount due for rates payable,
 - (ii) the date on or before which the amount is payable,
 - (iii) how the amount was calculated,
 - (iv) the market value of the property,
 - (v) if the property is subject to any compulsory phasing –in discount, the amount of the discount; and
 - (vi) rebates, exemptions, reductions or phasing-in, if applicable.
- 12.2 A person liable for payment of rates remains liable for such payment, whether or not such person has received a written account from the municipality. If the person concerned has not received a written account, he/she must make the necessary enquiries with the municipality.
- 12.3 In the case of joint ownership the municipality shall consistently, in order to minimise costs and unnecessary administration, recover rates from one of the joint owners only provided that it takes place with the consent of the owners concerned.

13. GENERAL VALUATION OF RATEABLE PROPERTY

- 13.1 The municipality shall prepare a new valuation roll at least every 4 (four) years, with the option to extend the validity of the valuation roll to 5 (five) years with the approval of the MEC for Local Government and Housing in the province.
- 13.2 Supplementary valuations will be done on a continual basis to ensure that the valuation roll is properly maintained.

14. LIABILITY FOR AND RECOVERY OF RATES

- 14.1 The owner of a property shall be liable for the payment of the rates levied on the property.
- 14.2 Joint owners of a property shall be jointly and severally liable for payment of the rates levied on the property.
- 14.3 In the case where an agricultural property is owned by more than one owner in undivided shares and these undivided shares were allowed before the commencement date of the Subdivision of Agricultural Land Act, 1970, Act No. 70 of 1970, the municipality shall hold any joint owners liable for all rates levied in respect of the agricultural property concerned or hold any joint owners only liable for that portion of rates levied on the property that represents joint owner's undivided share in the property.
- 14.4 In the event that a property has been transferred to a new owner and an Interim Valuation took place, the immediate predecessor in title, as well as the new owner, will jointly and severally be held responsible for settling the interim account.
- 14.5 Properties, which vest in the Municipality during developments, i.e. open spaces and roads should be transferred at the cost of the developer to the Municipality. Until such time, rates levied will be for the account of the developer.
- 14.6 Rates Clearance Certificates will be valid until 30 June in each financial year.

15. CORRECTION OF ERRORS AND OMISSIONS

- 15.1 Where the rates levied on a particular property have been incorrectly determined, whether because of an error or omission on the part of the municipality or false information provided by the property owner concerned or a contravention of the permitted use to which the property concerned may be put, the rates payable shall be appropriately adjusted for the period extending from the date on which the error or omission is detected back to the date on which rates were first levied in terms of the current valuation roll.
- 15.2 In addition, where the error occurred because of false information provided by the property owner or as a result of a contravention of the permitted use of the property concerned, interest on the unpaid portion of the adjusted rates payable shall be levied at the maximum rate permitted by prevailing legislation. In the case where an agricultural property is owned by more than one owner in undivided shares and these undivided shares were allowed before the commencement date of the Subdivision of Agricultural Land Act, 1970, Act No. 70 of 1970, the municipality shall hold any joint owners liable for all rates levied in respect of the agricultural property concerned or hold any joint owners only liable for that portion of rates levied on the property that represents joint owner's undivided share in the property.

16 DIFFERENTIAL RATES

- 16.1 Criteria for differential rating on different categories of properties will be according to:-
- (a) The nature of the property including its sensitivity to rating e.g. agricultural properties used for agricultural purposes.
 - (b) The promotion of social and economic development of the municipality.
- 16.2 Differential rating among the various property categories will be done by way of setting different cent amount in the rand for each property category; and
- 16.3 by way of reductions and rebates as provided for in this policy document.

17. COSTS OF EXEMPTIONS, REBATES, REDUCTIONS AND PHASING IN OF RATES

- 17.1 During the budget process the accounting officer must inform Council of all costs associated with suggested exemptions, rebates, reductions and phasing in of rates.
- 17.2 Provisions must be made on the operating budget for: -
- (a) the full potential revenue associated with property rates; and
 - (b) the full costs associated with exemptions, rebates, reductions and phasing in of rates.
- 17.3 The revenue foregone should be further appropriately disclosed in the annual financial statements, and the rebates also be indicated on the rates accounts submitted to each property owner.

18. LOCAL, SOCIAL AND ECONOMIC DEVELOPMENT

- 18.1 The municipality may grant rebates to organisations that promote local, social and economic development in its area of jurisdiction.
- 18.2 The Municipality's LED Unit must validate the qualification for the continued application of the rebate and the said rebates must be phased- out within 3 years from the date that the rebate was granted for the first time.
- 18.3 Rebates will be restricted to a percentage determined by Council from time to time.

19. REGISTER OF PROPERTIES

- 19.1 The municipality will compile and maintain a register in respect of all properties situated within the jurisdiction of the municipality. The register will be divided into Part A and Part B.

19.2 Part A of the register will consist of the current valuation roll of the municipality and will include all supplementary valuations done from time to time.

19.3 Part B of the register will specify which properties on the valuation roll or any supplementary valuation roll are subject to:-

- i. Exemption from rates in terms of section 15 of the Property Rates Act,
- ii. Rebate or reduction in terms of section 15,
- iii. Phasing-in of rates in terms of section 21, and
- iv. Exclusions as referred to in section 17.

19.4 The register will be open for inspection by the public at the municipal main offices during office hours or on the website of the municipality.

19.5 The municipality will update Part A of the register every 6 months during the supplementary valuation process.

19.6 Part B of the register will be updated on an annual basis as part of the implementation of the municipality's annual budget.

20. COMMUNITY PARTICIPATION

20.1 Before the municipality adopts the rates policy, the municipal manager will follow the process of community participation envisaged in chapter 4 of the Municipal Systems Act and comply with the following requirements:

- 20.1.1 Conspicuously display the draft rates policy for a period of at least 30 days at the municipality's head and satellite offices and libraries and on the website.
- 20.1.2 Advertise in the media a notice stating that the draft rates policy has been prepared for submission to council and that such policy is available at the various municipal offices and on the website for public inspection.
- 20.1.3 Property owners and interest persons may obtain a copy of the draft policy from the municipal offices during office hours at a fee of determined annually by the municipality. Property owners and interest persons are invited to submit written comments or representations to the municipality within the specified period in the notice.
- 20.1.4 Council will consider all comments and/or representations received when considering the finalisation of the rates policy.

20.1.5 The municipality will communicate the outcomes of the consultation process in accordance with section 17 of the Municipal Systems Act 32 of 2000. For this purpose, public meetings will be advertised in local newspapers distributed within the Greater Tubatse municipal area.

21. NOTIFICATION OF RATES

21.1 A notice stating the date on which the new rates shall become operational as resolved by Council must be displayed, published, disseminate and served by the Municipality in terms of Section 49 of the Act.

21.2 This is to be aligned with the annual budgetary process and shall be subject to the same obligations as contemplated in the MFMA.

22. BY-LAWS TO GIVE EFFECT TO THE RATES POLICY

22.1 The municipality will adopt By-laws to give effect to the implementation of the Rates Policy and such By-laws may differentiate between different categories of properties and different categories of owners of properties liable for the payment of rates.

23. REGULAR REVIEW PROCESSES

23.1 The rates policy must be reviewed on an annual basis to ensure that it complies with the Municipality's strategic objectives as contained in the Integrated Development Plan and with legislation.

24. ENFORCEMENT/IMPLEMENTATION

24.1 This policy has been approved by the Municipality in terms of resolutiondated and comes into effect from 1 July 2008.



PRINCIPLES AND POLICY ON CREDIT CONTROL AND DEBT COLLECTION

**DRAFT FOR APPROVAL BY COUNCIL
FOR COMMUNITY PARTICIPATION**

16 March 2009

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GREATER TUBATSE LOCAL MUNICIPALITY
PRINCIPLES AND POLICY ON CREDIT CONTROL AND DEBT COLLECTION

1. PREAMBLE

WHEREAS section 152 (1) (b) of the Constitution of the Republic of South Africa Act 108 of 1996 (*'the Constitution'*) provides that one of the objects of local government is to ensure that the provision of services to communities occurs in a sustainable manner;

AND WHEREAS section 153 (a) of the Constitution provides that a municipality must structure its administration, budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community;

AND WHEREAS section 195 (1) of the Constitution provides that the public administration must be governed by the democratic values and principles enshrined in the Constitution, including-

- The promotion of the efficient, economic and effective use of resources;
- The provision of services impartially, fairly, equitably and without bias; and
- The fact that people's needs must be responded to.

AND WHEREAS section 4 (1) (c) of the Local Government: Municipal Systems Act 33 of 2000 (*'the Systems Act'*) provides that the Council of a municipality has the right to finance the affairs of the municipality by charging fees for services, imposing surcharges on fees, rates on property and, to the extent authorised by national legislation, other taxes, levies and duties;

AND WHEREAS section 5 (1) (g), read with subsection (2) (b) of the Systems Act provides that members of the local community have the right to have access to municipal services which the municipality provides provided that, where applicable and subject to the policy for indigent debtors, pay promptly for services fees, surcharges on fees, other taxes, levies and duties imposed by the municipality;

AND WHEREAS section 6 (2) (c), (e) and (f) of the Systems Act provides that the administration of a municipality must take measures to prevent corruption; give members of a local community full and accurate information about the level and standard of municipal services that they are entitled to receive; and inform the local community about how the municipality is managed, of the costs involved and the persons in charge;

AND WHEREAS Chapter 9, sections 95, 96, 97, 98, 99 and 100, of the Systems Act provides for Customer Care Management, Debt Collection responsibility of the Municipality, contents of the policy, by-laws that give effect to the policy, Supervisory authority and Implementing authority, respectively.

2. DEFINITIONS

In this policy any word or expression to which a meaning has been assigned in the Local Government: Municipal Systems Act, has that meaning, unless the context, indicates otherwise-

“Arrangement” means a written agreement entered into between the municipality and the debtor where specific repayment parameters are agreed to.

“Arrears” means those rates and service charges that have not been paid by the due date and for which no arrangement has been made.

“Account” means an account rendered specifying charges for services provided by the municipality, or any authorised and contracted service provider, and which account may or may not include assessment rates levies;

“Authorised Representative” means a person or instance legally appointed by the municipality to act or to fulfill a duty on its behalf.

"Billing date" means the date upon which the monthly statement is generated and debited to the customer's account.

"Business premises" means premises utilised for purposes other than residential and excludes the following: -

- (a) hospitals, clinics and institutions for mentally ill persons which are not operated for gain;
- (b) museums, art galleries, libraries and botanical gardens which are registered in the names of private persons and are open to the public, whether admission fees are charged or not;
- (c) sports grounds used for the purpose of amateur sports and any social activities which are connected with such sports;
- (d) any property registered in the name of an institution or organisation which, in the opinion of the municipality performs charitable work;
- (e) any property utilised for bona fide church or religious purposes.

"Chief Financial Officer" means the person appointed as the Chief Financial Officer of the municipality, or his or her nominee.

"Credit Control" means all the functions relating to the collection of monies owed by ratepayers and the users of municipal services.

"Council" means the Council of the Greater Tubatse Municipality.

"Customer" means any occupier of any premises to which the Council has agreed to supply or is actually supplying services, or if there is no occupier, then the owner of the premises and includes any debtor of the municipality.

"day/days" means calendar days, inclusive of Saturdays, Sundays and public holidays.

"Defaulter" means any person owing the municipality arrear monies in respect of taxes and/or service charges without an arrangement.

"Due date" in relation to –

- (a) rates due in respect of any immovable property, means the thirtieth(30) day of September of the financial year for which such rate is made, or any other date determined by council by notice in the Provincial Gazette, and
- (b) in respect of service charges due in respect of any immovable property, means the date for payment indicated on the account.
- (c) should such day fall on a Saturday, Sunday or public holiday the due date shall be the next working day.

"Immovable property" includes –

- (a) an undivided share in immovable property, and
- (b) any right in immovable property.

"Implementing Authority" means the Municipal Manager or his or her nominee, acting in terms of section 100 of the Local Government: Municipal Systems Act No. 32 of 2000.

"Indigent debtor" means:

- (a) the head of an indigent household:
 - (i) who applied for and has been declared indigent in terms of Council's Indigent Support Policy for the provision of services from the municipality; and

(ii) who makes application for indigent support in terms of Council's Indigent Support Policy on behalf of all members of his or her household;

(b) orphaned minor children duly represented by their legal and/or de facto guardians.

"Indigent Support Programme" means a structured program for the provision of indigent support subsidies to qualifying indigent debtors in terms of the Council's Indigent Support Policy.

"Indigent Support Policy" means the Indigent Support Policy adopted by the Council of the municipality.

"Interest" Means a charge levied on all arrear monies with the same legal priority as service fees and calculated at a rate determined by Council from time to time;

"Manager Income" Means the official of the municipality responsible for the collection of monies owed to the municipality and/or any other official to whom he/she has delegated duties and responsibilities in terms of this policy.

"Month" means a calendar month.

"Monthly average consumption" means the monthly average consumption in respect of that property calculated on the basis of consumption over the preceding or succeeding twelve months.

"Municipality" means the Municipal Council of the Greater Tubatse Municipality or any duly authorised Committee, political office bearer or official.

"Municipal pay point" means any municipal office in the area of jurisdiction of the municipality designated by Council for such purposes, or any such other places as the Chief Financial Officer may from time to time designate.

"Municipal services" means services provided either by the municipality, or by an external agent on behalf of the municipality in terms of a service delivery agreement.

"Municipal Manager" means the Municipal Manager of the Greater Tubatse municipality or his or her nominee acting in terms of power delegated to him or her by the said Municipal Manager with the concurrence of the Council.

"Occupier" means the person who controls and resides on or controls and otherwise uses immovable property, provided that –

- (a) the husband or wife of the owner of immovable property which is at any time used by such owner and husband or wife as a dwelling, shall be deemed to be the occupier thereof;
- (b) where a husband and wife both reside on immovable property and one of them is an occupier thereof; the other shall also be deemed to be an occupier thereof.

"Owner" in relation to immovable property means -

- (a) the person in whom is vested the legal title thereto provided that -
 - (i) the lessee of immovable property which is leased for a period of not less than thirty years, whether the lease is registered or not, shall be deemed to be the owner thereof;
 - (ii) the occupier of immovable property occupied under a service servitude or right analogous thereto, shall be deemed to be the owner thereof;
- (b) if the owner is dead or insolvent or has assigned his or her estate for the benefit of his creditors, has been placed under curatorship by order of court or is a company being wound up or under judicial management, the person in whom the administration of such property is vested as executor, administrator, trustee, assignee, curator, liquidator or judicial manager, as the case may be, shall be deemed to be the owner thereof;
- (c) if the owner is absent from the Republic or if his address is unknown to the municipality, any person who as agent or otherwise receives or is entitled to receive the rent in respect of such property, or
 - (i) if the municipality is unable to determine who such person is, the person who is entitled to the beneficial use of such property.

"Premises" includes any piece of land, the external surface boundaries of which are delineated on:

- (a) A general plan or diagram registered in terms of the Land Survey Act, (9 of 1927) or in terms of the Deed Registry Act, 47 of 1937; or
- (b) A sectional plan registered in terms of the Sectional Titles Act, 95 of 1986, which is situated within the area of jurisdiction of the municipality.
- (c) A register held by a tribal authority.

"Prescribed" means prescribed by this policy and where applicable by Council or the Municipal Manager.

"Prescribed debt" means debt that becomes extinguished by prescription in terms of the Prescription Act 68 of 1969.

"Person" means a natural and juristic person, including any department of state, statutory bodies or foreign embassies.

"Rates" means any tax, duty or levy imposed on property by the municipality.

"Registered owner" means that person, natural or juristic, in whose name the property is registered in terms of the Deeds Registry Act, no. 47 of 1937.

"Responsible person" means any person other than the registered owner of an immovable property who is legally responsible for the payment of municipal service charges.

"Service charges" means the fees levied by the municipality in terms of its tariff policy for any municipal services rendered in respect of an immovable property and includes any penalties, interest or surcharges levied or imposed in terms of this policy.

"Service delivery agreement" means an agreement between the municipality and an institution or persons mentioned in section 76(b) of the Local Government: Municipal Systems Act 32 of 2000.

"Sundry debtor accounts" means accounts raised for miscellaneous charges for services provided by the municipality or charges that were raised against a person as a result of an action by a person, and were raised in terms of Council's policies, bylaws and decisions

"Supervisory authority" means the Executive Committee of the municipality or his or her nominee, acting in terms of Section 99 of the Municipal Systems Act 32 of 2000.

"Tariff" means any rate, tax, duty and levy or fee which may be imposed by the municipality for services provided either by the municipality or in terms of a service delivery agreement.

"Tariff Policy" means a Tariff Policy adopted by the Council in terms of Section 74 of the Local Government: Municipal Systems Act 32 of 2000.

"User" means the owner or occupier of a property in respect of which municipal services are being rendered.

3. PRINCIPLES

The principles supported in this policy are: -

- (1) The administrative integrity of the municipality must be maintained at all times.
- (2) This policy must have the full support of Councillors.
- (3) Councillors must have full knowledge of the implementation and enforcement of the policy.
- (4) The Executive Committee oversees and monitors the implementation and enforcement of this policy.
- (5) The Municipal Manager implements and enforces this policy.
- (6) The Municipal Manager may delegate the implementation and enforcement of this policy to the Chief Financial Officer who may in turn delegate duties and responsibilities in terms of this policy to the Manager Income.
- (7) Consumers must be informed of the contents of this policy.
- (8) Consumers must apply for services from the municipality by the completion of the prescribed application form.
- (9) Consumers must receive regular and accurate accounts that indicate the basis for calculating the amounts due. The consumer is entitled to have the details of the account explained upon request.
- (10) Consumers must pay their accounts regularly by the due date.
- (11) Consumers are entitled to reasonable access to pay points and to a variety of reliable payment methods.
- (12) Consumers are entitled to an efficient, effective and reasonable response to appeals, and should not suffer any disadvantage during the processing of a reasonable appeal.
- (13) Debt collection action will be instituted promptly, consistently, and effectively without exception and with the intention of proceeding until the debt is collected.

4. SUPERVISORY AUTHORITY

- (1) The Executive Committee oversees and monitors –
 - (a) The implementation and enforcement of the municipality's credit control and debt collection policy.
 - (b) The performance of the Municipal Manager in implementing the credit control and debt collection policy.
- (2) The Executive Committee shall at least once a year cause an evaluation or review of the credit control and debt collection policy to be performed, in order to improve the efficiency of the municipality's credit control and debt collection mechanisms, processes and procedures, as well as the implementation of this policy
- (3) The Executive Committee shall submit a report to Council regarding the implementation of the credit control & debt collection policy at such intervals as Council may determine.

5. IMPLEMENTING AUTHORITY

- (1) The Municipal Manager: -
 - (a) Implements and enforces the credit control and debt collection policy.
 - (b) Is accountable to the Executive Committee for the enforcement of the policy and shall submit a report to the Executive Committee regarding the implementation and enforcement of the credit control and debt collection policy at such intervals as may be determined by Council.
 - (c) Must establish effective administration mechanisms, processes and procedures to collect money that is due and payable to the municipality.
 - (d) Where necessary make recommendations to the Executive Committee with the aim of improving the efficiency of the credit control and debt collection mechanisms, processes and procedures.
 - (e) Establish effective communication between the municipality and account holders with the aim of keeping account holders abreast of all decisions by Council that may affect account holders.

- (f) Establish customer service centers, located in such communities as determined by the municipal manager.
- (g) Convey to account holders information relating to the costs involved in service provision, and how funds received for the payment of services are utilised, and may where necessary employ the services of local media to convey such information.
- (2) The Municipal Manager may, in writing, delegate any of the powers entrusted or delegated to him or her in terms of Council's credit control and debt collection by-law to the Chief Financial Officer.
- (3) A delegation in terms of subsection (2) –
 - (a) Is subject to any limitations or conditions that the Municipal Manager may impose;
 - (b) May authorise the Chief Financial Officer in writing, to sub-delegate duties and responsibilities to the Manager Income.
 - (c) The delegation does not divest the Municipal Manager of the responsibility concerning the exercise of the delegated power.
 - (d) The Chief Financial Officer is accountable to the Municipal Manager for the implementation, enforcement and administration of this policy, and the general exercise of his powers in terms of this policy.
- (4) The Manager Income shall be accountable to the Chief Financial Officer for the sections of this policy delegated to the Manager Income in terms of the MFMA section 82.

6. UNSATISFACTORY LEVELS OF INDEBTEDNESS

- (1) If the level of indebtedness in a particular ward or part of the Municipality exceeds the level of the acceptable norm as determined in the Municipality's budget guidelines, the supervisory authority (Executive Committee) must, without delay, advise the Councillor for that ward or part.
- (2) The Councillor concerned:-

Must without delay convene a meeting of the ward committee, if there is one, or convene a public meeting and report the matter to the committee or meeting for discussion and advice; and may make any appropriate recommendations to the supervisory authority.

7. APPLICATION FOR THE PROVISION OF MUNICIPAL SERVICES

- (1) A consumer who requires the provision of municipal services must apply for the service from the municipality.
- (2) The application for the provision of municipal services must be made by the registered owner of an immovable property.
- (3) The municipality will not entertain an application for the provision of municipal services from a tenant of a property, or any other person who is not the owner of the property.
- (4) The only exception to (3) above is that individuals and businesses with lease agreements to lease properties from the municipality and government departments will be allowed to open an account in the name of the lessee of the property
- (5) An agent may with a proxy open an account in the name of the owner.
- (6) The application for the provision of municipal services must be made in writing on the prescribed application form that is provided by the municipality.
- (7) By completing the prescribed application form for the provision of municipal services the consumer of services enters into an agreement with the municipality.
- (8) The agreement with the municipality makes provision for the following: -
 - (a) An undertaking by the owner that he or she will be liable for collection costs including administration fees, interest, disconnection and reconnection costs, and any other legal costs occasioned by his or her failure to settle accounts by the due date;
 - (b) An acknowledgement by the owner that accounts will become due and payable by the due date notwithstanding the fact that the owner did not receive the account; and
 - (c) That the onus will be on the owner to ensure that he or she is in possession of an account before the due date.
 - (d) An undertaking by the municipality that it shall do everything in its power to deliver accounts timeously.
- (9) The application for the provision of municipal services shall be made at least ten (10) days prior to the date on which the services are required to be connected.

- (10) On receipt of the application for provision of municipal services, the municipality will cause the reading of metered services linked to the property to be taken on the working day preceding the date of occupation.
- (11) The first account for services will be rendered after the first meter reading cycle to be billed following the date of signing the service agreement.
- (12) No re-connection will be considered with any outstanding accounts linked to this specific stand.

8. DEPOSITS AND GUARANTEES

- (1) On application for the provision of municipal services the prescribed consumer deposit shall be paid.
- (2) A guarantee in lieu of a deposit may be accepted on application for the provision of municipal services by a business in terms of the prevailing conditions determined by the Municipal Manager at the time of the application.
- (3) Existing consumers moving to a new address are required to pay the prescribed consumer deposit on application for the provision of municipal services at the new address.
- (4) The minimum deposit payable is determined annually by Council and is contained in the tariff book produced annually.
- (5) The consumer deposit paid on application for the provision of municipal services must be reviewed at least annually and may be increased or decreased upon written notice to consumers. The deposit will be the equivalent of at least one months charge for all municipal services supplied; however this may be increased if it is determined that the consumer is a credit risk.
- (6) On termination of the supply of services the amount of the deposit less any payment due to the municipality will be refunded to an account holder, provided that payments due are less than the deposit paid, and that the account holder has provided a forwarding address.
- (7) Section 118 of the Municipal Systems Act is currently being amended so that a person transferring immovable property must deposit with the municipality the equivalent amount equal to sixty (60) days value of municipal rates and services.

9. ACCOUNTS AND BILLING

- (1) Council provides all consumers of municipal services with a monthly consolidated account for all services rendered.
- (2) The consolidated account can include property rates charges. Accounts are produced on a monthly basis in cycles of approximately 30 days.
- (3) All accounts rendered by the municipality shall be payable on the due date as indicated on the account.
- (4) Account balances which remain unpaid after the due date shall attract interest on arrears irrespective of the reason for non-payment. The interest rate is the Prime Bank interest rate plus 1%.
- (5) All accounts are payable by the due date regardless of the fact that the person responsible for the payment of the account has not received the account. The onus is on the account holder to obtain a copy of the account before the due date.
- (6) The municipality bills an owner of a property for the following rates and service charges:-
 - (a) Property Rates Charges
 - (i) Property rates charges are billed annually or monthly as preferred by customers.
 - (ii) Council's preference is that property rates charges be charged monthly. Due to historical legislation and the absence of a Property Rates Policy these charges are being charged monthly and annually.
 - (iii) Property rates charges charged annually are billed on the July account of each year and the due date for the payment of these charges is 30 September of each year.
 - (iv) Property rates charges charged monthly are billed on the monthly accounts and the due date for the payment of the charges is as indicated on the accounts.
 - (v) The tariffs to calculate the property rates charges are determined annually and approved by the Council and are contained in the tariff book produced by the municipality.
 - (b) Water Charges
 - (i) Consumption of water is billed in terms of metered consumption for conventional meters or through prepayment meters.
 - (ii) Monthly accounts are rendered for water consumption and the due date for payment of the accounts is as indicated on each of the accounts.

- (iii) The tariffs to calculate the water charges are determined annually and approved by Council and are contained in the tariff book produced by the municipality.

(c) Refuse Removal and Sewer Charges

- (i) Refuse removal and sewer are billed in terms of a fixed monthly tariff.
- (ii) Monthly accounts are rendered for refuse removal and sewer and the due date for payment of the accounts is as indicated on each of the accounts.
- (iii) The tariffs to calculate the refuse removal and sewer charges are determined annually and approved by Council and are contained in the tariff book produced by the municipality.

(d) Sundry Debtor Accounts

- (i) Sundry debtor accounts are raised for miscellaneous charges for services provided by the municipality, or charges that are raised against a debtor as a result of an action by a debtor or person which necessitate a charge to be raised by Council against the debtor or person in terms of Council's policies, by-laws and decisions.
- (ii) The sundry debtor account is included in the monthly consolidated account produced by the municipality.

(7) Final Accounts

On receipt of an application for termination of services the final readings of metered services will be taken, the accounts finalised, the consumer deposit will be appropriated and if a debit balance remains the balance will be payable by the consumer and if a credit balance remains the balance will be refunded to the consumer, on condition that the consumer has provided the municipality with a forwarding address.

(8) Due Date

The due date for the payment of accounts in the various areas of the Greater Tubatse Municipality is the date as indicated on the account.

10. METERING OF MUNICIPAL SERVICES

- (1) The municipality may introduce various metering equipment and may encourage consumers to convert to a system which is preferred by the Council when Council considers this to be beneficial to its functioning and operations.
- (2) Council's preferred metering system to measure water is the conventional water metering system for domestic consumers and businesses or through prepayment meters.
- (3) Water consumption is measured with credit water meters.
- (4) The following applies to the reading of credit meters: -
 - (a) Credit water meters are read at in cycles of approximately 30 days.
 - (b) If for any reason the credit water meters cannot be read, the municipality will render an account based on estimated consumption.
 - (c) The account based on estimated consumption will be adjusted in the subsequent account based on the actual consumption.
 - (d) The consumer is responsible to ensure access to metering equipment for the purpose of obtaining meter readings for billing purposes.
 - (e) Consumers can, for reasons of non-accessibility to their properties by meter readers, provide the municipality with monthly meter readings for billing purposes, provided that an audit reading can be obtained by the municipality once every six months and provided that a final reading can be obtained should the consumer vacate the property.
 - (f) If any calculation, reading or metering error is discovered in respect of any account rendered to a consumer –
 - (i) the error shall be corrected in the subsequent account,
 - (ii) any such correction shall only apply in respect of an account for a period of three years preceding the date on which the error in the account was discovered,
 - (iii) the correction shall be based on the tariffs applicable during the period, and
 - (iv) the application of this section shall not prevent a consumer from claiming overpayment for any longer period where the consumer is able to prove the claim in a court of law.

- (g) When a consumer vacates a property and a final reading of the meter is not possible, an estimation of the consumption may be made and the final account rendered accordingly.

11. PAYMENT OF ACCOUNTS

- (1) All accounts rendered by the municipality are due and payable on or before the due date as indicated on the account.
- (2) All payments, whether made by cash, stop order, electronic payments or payments made through agents must be receipted by the municipality by the close of business on the due date. Cheques will be accepted as payment of an account (except in the case of payment to obtain a clearance certificate as provided for in terms of Section 118 of the Municipal System Act in which case payment must be made in cash or a bank guarantee cheque or a cheque from the trust account of an attorney). Where a cheque has been dishonoured the person issuing the cheque shall not be allowed to pay by cheque in future.
- (3) Accounts rendered by the municipality can be paid at any municipal cashier office and any other pay point as determined by the Municipal Manager from time to time.
- (4) The payment methods and facilities supported by the municipality can be used to make payments on accounts.
- (5) Payments received in respect of rates and service charges will be allocated by the municipality entirely within its discretion, on the account of the debtor.
- (6) Part payment received on an account shall be allocated firstly to reduce any penalty charges that may have accrued on the account.
- (7) An official receipt issued by the municipality will be the only proof of payments made.

12. INTEREST ON ARREAR DEBT

- (1) Account balances which remain unpaid after the due date shall attract interest irrespective of the reason for non-payment. The interest rate shall be the Prime Bank interest rate plus 1%.

- (2) The following categories of arrear debt shall not attract interest on arrears: -
 - (a) Indigent debt
 - (b) Closed accounts
 - (c) Deceased estates
 - (d) Insolvent estates
 - (e) Debtors under administration (administration portion only)
- (3) Interest on arrear debt shall be calculated for each month for which such payment remains unpaid and part of a month shall be deemed to be a month.
- (4) No interest shall be charged on any outstanding amounts in respect of which an agreement had been concluded for the payment by way of installment thereof, provided the installment is paid in full by the due date.

13. ENQUIRIES AND APPEALS

- (1) Any aggrieved person may address a grievance or query regarding charges for municipal services to the Chief Financial Officer in writing or may visit any customer care office provided by the municipality.
- (2) Every consumer has the right to ask and to be provided with a clear explanation as to the services being charged and a breakdown of all amounts shown on their account.
- (3) The aggrieved person shall clearly state the basis of his or her dissatisfaction and the desired resolution.
- (4) The lodging of an inquiry shall not relieve the aggrieved person of the responsibility to settle his or her account. An interim payment similar to an average account must be paid by the due date pending finalisation of the enquiry.
- (5) The municipality will respond to all inquiries from consumers in writing within twenty days from the lodging of the enquiry.
- (6) The Manager Income will keep custody of the Enquiries and Appeals Register and will carry out a weekly check on all enquiries and appeals yet to be resolved.

14. DEBT COLLECTION

- (1) The Chief Financial Officer is authorised to institute agreed upon debt collection mechanisms without exception and with the intention to proceed until the debt is collected.
- (2) All accounts rendered by the municipality shall be paid on the due date as indicated on the account.
- (3) Account balances which remain unpaid after the due date shall attract interest irrespective of the reason for non-payment.
- (4) Account balances which remain unpaid after the due date will be subject to debt collection action.
- (5) Debt collection action will be taken on the total amount outstanding on the account after the due date. The total amount outstanding includes property rates, refuse, sewer, water and sundry debtor charges.
- (6) The debt collection action to be taken will be as follows: -
 - (a) Disconnection of water supply (restriction of flow)
 - (i) The municipality shall disconnect the water supply to a property if the account rendered by the municipality is not paid by the due date as indicated on the account.
 - (ii) Credit water meters will be disconnected for the non-payment of municipal accounts.
 - (iii) Disconnection of water supply will be for the total amount outstanding on the account, not just for the water portion of the account.
 - (iv) Disconnection of water supply for the non-payment of an account will be during the 30 day period following the due date.
 - (b) Recovery of Rates in Arrears from Tenants, Occupiers, and Agents
 - (i) The municipality will utilise the Property Rates Act 2004 sections 28 and 29 to recover rates unpaid by owners where appropriate.
 - (ii) The municipality may recover the amount in whole or part from a tenant or occupier of a property despite any contractual obligation to the contrary on the tenant or occupier. The municipality may recover an amount only after the municipality has served a written notice on the tenant or occupier.

- (iii) The amount the municipality may recover from the tenant or occupier of a property is limited to the amount of rent or other money due and payable, but not yet paid, by the tenant or occupier to the owner of the property.
 - (iv) Any amount the municipality recovers from the tenant or occupier of the property must be set off by the tenant or occupier against any money owed by the tenant or occupier to the owner.
 - (v) The tenant or occupier of a property must, on request by the municipality, furnish the municipality with a written statement specifying all payments to be made by the tenant or occupier to the owner of the property for rent or other money payable on the property during a period determined by the municipality.
 - (vi) The municipality may, despite the Estate Agents Affairs Act 1976, recover the amount due for rates on a property in whole or in part from the agent of the owner, if this is more convenient for the municipality.
 - (vii) The municipality may recover the amount due for rates from the agent of the owner only after it has served a written notice on the agent.
 - (viii) The amount the municipality may recover from the agent is limited to the amount of any rent or other money received by the agent on behalf of the owner, less any commission due to the agent.
 - (ix) The agent must, on request by the municipality, furnish the municipality with a written statement specifying all payments to be made by the tenant or occupier to the owner of the property for rent or other money payable on the property during a period determined by the municipality.
 - (x) The municipality must provide an owner of a property in its jurisdiction with copies of accounts sent to the occupier of the property for municipal services supplied to the property if the owner requests such accounts in writing from the municipality.
- (d) Handover of debt to debt collectors
- (i) Debt that could not be collected by the disconnection of water supply to a property and that are 60 days old may be handed over to debt collectors.
 - (ii) Handover to debt collectors is a pre-legal action and if the debt collectors are unsuccessful in collecting the debt, the debt may be handed over to attorneys for legal collection.

- (iii) Only the Municipal Manager or his delegated official will hand debt over to attorneys for legal collection.
- (iv) The following types of debt will be handed over to the debt collectors: -
 - Debt that is 60 days and older. Government debt, when handed over, must be dealt with in accordance with applicable legislation.
 - Debt for which no payment arrangements were made.
 - The amount of the debt per debtor to be handed over is the amount that will be determined from time to time.
- (v) The following types of debt will **not** be handed over to debt collectors.
 - Debts of indigent debtors that are registered as indigent at the date of handover.
 - Debt that is being paid off as per an arrangement with the debtor.
 - A debt that has not been under a query for more than two months.
- (vi) The process of collecting debt by debt collectors includes -.
 - The phoning of debtors.
 - Sending out demand letters.
 - Making arrangements with debtors to pay off debt in terms of the Council's credit control and debt collection policy.
 - Making follow-up contact with debtors on unpaid arrangements.
- (e) Handover of debt to Attorneys for legal collection
 - (i) Debt that could not be collected by the debt collectors and debt that requires urgent legal attention will be handed over to attorneys for legal collection.
 - (ii) The following types of debt will be handed over to attorneys: -
 - Debt that is 120 days and older.

- The amount of the debt per debtor to be handed over is the amount that will be determined from time to time.
 - Debt for which no payment arrangements were made.
- (iii) The following types of debt will not be handed over to attorneys:-
- Debt of approved indigent debtors that has not yet been written off by the council.
 - Debt that is being paid off as per an arrangement with the debtor.
 - A debt that has not been under a query for more than two months.
- (iv) The process of legal collection includes:-
- Final demands for payment to debtors.
 - Emolument attachment orders on debtor's salaries.
 - Summons issued for debt to be paid.
 - Default judgment be obtained against the debtor.
 - The attachment of moveable properties and sale in execution of moveable property
 - The attachment of immoveable property and the sale of immoveable property.
- (f) Withholding or offsetting grants-in-aid.
- The municipality provides annual grants-in-Aid to Institutions on application. If an institution is in arrear with its services account, then the municipality will withhold the grant-in-aid or the grant-in-aid will be off set against the arrear debt with the municipality.
- (g) Section 118 of the Local Government: Municipal Systems Act No 32 of 2000.
- (i) The municipality will issue a certificate required for the transfer of immovable property in terms of Section 118 of the Local Government: Municipal Systems Act No 32 of 2000, which is lodged with the municipality in the prescribed manner. This is subject to all amounts that became due in connection with that property for municipal service fees, surcharges on fees, property rates and

other municipal taxes, levies and duties during the two years preceding the date of application for the certificate have been fully paid.

- (ii) Debt older than two years on the property irrespective of whether the owner of the property accumulated the debt will also have to be paid by the owner before the transfer of the property can be affected.
- (iii) If the owner refuses to pay the debt which is older than two years then the municipality will apply to a competent Court for an order in the following terms: -
 - In the case where there is no judgment debt, for an order staying transfer of the property pending the finalisation of a civil action to be instituted against the person who is in law liable for the payment of the outstanding debt.
 - In the case where there is already a judgment for the payment of the amount, an order that the judgment debt be paid out of the proceeds of the sale, before the mortgage debt is settled.
 - The above action must be taken before the property is transferred as the statutory lien created by Section 118(3) of the Act only endures until the property has been transferred and in terms of Section 118(5) of the Act the new owner of the property cannot be held liable for the debt that became due before a transfer of a residential property took place.

(h) Other debt collection methods

The debt collection methods mentioned in paragraph (a) to (g) above are not an exhaustive list of methods that can be applied to collect debts and any other methods that can be initiated will be implemented with the approval of Council.

(7) Debt Collection Costs

Any costs, which include collection costs, charges, disbursements and legal costs relating to any of the debt collection methods applied to collect the debt will be debited to the account of the defaulting debtor.

15. ARRANGEMENTS TO PAY ARREAR DEBT

Arrangements to Pay Outstanding and Due Amounts in Consecutive Installments – Residential Households

- (1) One of the key objectives of debt collection is to encourage debtors to start paying their monthly accounts in full. In addition it is also necessary to ensure that arrear debt is addressed. The current average balances on consumer accounts necessitates that innovative ideas be implemented to encourage consumers to pay off their arrears. At the same time it is also of utmost importance that regular payers not be discouraged through the implementation of any possible incentives.
- (2) The main aim of an agreement will be to promote full payment of the current account and to address the arrears on a consistent basis.
- (3) A debtor may enter into a written agreement with the Municipality to repay any outstanding and due amount to the Municipality under the following conditions:-
 - (a) The outstanding balance, costs and any interest thereon shall be paid in regular and consecutive monthly installments;
 - (b) The current monthly amount must be paid in full; and
 - (c) The written agreement has to be signed on behalf of the Municipality by a duly authorised officer.
- (4) In order to determine monthly installments a comprehensive statement of assets and liabilities of the debtor must be compiled by a treasury official. To ensure the continuous payment of such arrangement the amount determined must be affordable to the consumer, taking into account that payment of the monthly current account is a prerequisite for concluding an arrangement.
- (5) Implementation of the following principles **(as a once off initiative)** could enhance the success of debt collection to a great extent:-
 - (a) Households earning less than R5 000 gross per month
 - (i) Where a debtor pays 50% capital on his/her arrear account the other 50% capital and all the interest accumulated will be written off immediately from the provision for bad debt.
 - (ii) Where arrangements are made to pay off the arrear amount in installments, such an arrangement should be honoured for at least a six month consecutive period where after capital arrears will be written off on a monthly basis on a rand for rand basis (for every

one rand capital that is paid one rand capital will be written off from the provision for bad debt). Upon paying the total capital owed all the interest accumulated will be written off immediately from the provision for bad debt.

(b) Households earning between R5 001 and R10 000 gross per month

- (i) Capital arrears will be written off on a 50% basis (for every one rand that is paid fifty cents will be written off from the provision for bad debt). Upon paying the total capital owed all the interest accumulated will be written off immediately from the provision for bad debt.
- (ii) Where arrangements are made to pay off the arrear amount in installments, such an arrangement should be honoured for at least a six month consecutive period where after arrears will be written off.

(c) Households earning R10 001 and more gross per month

- (i) Where a debtor pays 100% on his/her capital arrear debt, all the interest accumulated will immediately be written off from the provision for bad debt.
- (ii) Where arrangements are made to pay off the arrear amount in installments, such an arrangement should be honoured for at least a six month consecutive period where after interest will be written off on a monthly basis on a rand for rand basis (for every one rand capital that is paid one rand interest will be written off until such time that all the interest has been written off from the provision for bad debt).

- (6) A consumer who cannot pay their arrear debt may enter into an arrangement to pay the account over an extended period of time.
- (7) During the time of the debt collection process, but before the debt is handed over to the attorneys a consumer may enter into an arrangement to pay off arrear debt.
- (8) No arrangements outside of the provisions of this policy will be entertained by attorneys on a debt that has been handed over for legal collection without prior approval of the Chief Finance Officer.
- (9) The municipality will entertain only one arrangement with a consumer to pay off arrear debt.
- (10) The consumer by signing the arrangement agreement to pay off arrear debt acknowledges the following: -

- (a) The debt is owed to the municipality.
- (b) That on default of the arrangement agreement, interest on arrears will be charged on the amount due, water supply will be disconnected to the property of the consumer or the consumer will be blocked from the purchase of water on the prepayment system, and legal proceedings will be instituted to collect the debt.
- (c) That the consumer will be liable for all costs, which includes legal costs incurred to collect the debt.

(11) Arrangements by businesses

- (a) At the date of the arrangement a minimum of 50% of the capital arrear debt must be paid immediately.
- (b) After the payment of 50% of the capital arrear debt, 50% of the interest accumulated will be written off from the provision for bad debt.
- (c) The balance of the debt which includes the capital amount and interest must be paid over a 6 to 12 month period on an interest free basis provided payments are made monthly by the due date.
- (d) The total monthly installment must include the current monthly charges plus the amount to pay off arrear debt.
- (e) Arrangement by businesses to pay off arrear debt will only be entertained for debt on which debt collection actions have been taken and which actions are in an advanced stage.
- (f) Failure to maintain the arrangement will result in interest being reversed and full debt collection being implemented, with no possibility of reprieve.
- (g) Any arrangement outside of the foregoing must be approved by the Municipal Manager. This function cannot be delegated.

16. INDIGENT DEBTORS

- (1) An account holder (consumer) may apply, in the prescribed manner, to be regarded as an indigent debtor as defined in the Indigent Policy approved by the council.
- (2) Any person who has been declared indigent shall be entitled to indigent subsidies for basic services on a basis determined by Council from time to time.

- (3) The approved account holder shall remain responsible for any outstanding amount at the date of application as well as for future charges.
- (4) The arrears on the accounts of households, approved as indigent, will be submitted to Council to be written off in full (including any interest charged) after the expiry of six months being registered as an indigent. This submission will only be valid as a once-off exercise after approval and will not be applicable for future consumption in excess of the approved subsidy accumulated.
- (5) Indigent consumers with credit water meters are required to pay their current monthly account, which is the amount after the indigent subsidy has been deducted, every month by the due date.

17. DEBT OF ABSCONDED OWNERS

- (1) The occupant of the property must sign an agreement in which the occupant agrees to pay all property rates and service charges that are to be raised on the property of the absconded registered owner's property.

18. STAFF AND COUNCILLORS – PAYMENT OF ARREARS

- (1) All staff joining the municipality must within thirty (30) days sign an agreement to pay arrears.
- (2) All existing staff and councillors who have not entered into an agreement to pay arrears must do so within thirty (30) days of the approval of this policy by council.
- (3) The repayment period for both councillors and staff is not to exceed twelve (12) months.
- (4) All agreements with councillors must not exceed the expiry date of the term of office.

19. ADMINISTRATION ORDERS – PAYMENT OF ARREARS

- (1) A person can apply for the administration of its estate in terms of section 74 of the Magistrates Court Act, 1944.
- (2) On notification that the order has been granted, Council will manage the debt that is part of the administration order separately to the current account.
- (3) The debtor will be responsible for the payment of the current monthly account and if the debtor defaults on the payment of the account, debt collection action will be implemented.

20. WRITE OFF OF IRRECOVERABLE DEBT

- (1) The objective to write off irrecoverable debt is to have a debt book that does not reflect irrecoverable debt.
- (2) For this purpose Council should adopt and implement a write off policy to formalise the processes for writing off such debts.

21. CERTIFICATES REQUIRED FOR TENDERS

- (1) A person or an institution reacting to a tender published by the municipality or wishing to enter into a contract to either provide services or goods to the municipality must produce a certificate, on the prescribed form, which states that regular payment of rates and services accounts are maintained and that the account is currently up to date.
- (2) A person who fails to provide such a certificate shall be disqualified from the tendering process.
- (3) A person who has an existing arrangement with the municipality for the payment of arrears shall be exempt from (1) and (2) to the extent of the arrears.

22. THEFT AND FRAUD

- (1) The municipality does not condone theft and fraud of municipal services and will monitor the service networks for signs of tampering or irregularities.
- (2) The Council may approve specific penalties and distinguish between cases of vandalism and theft.
- (3) Subsequent acts of tampering may lead to a refusal to supply certain services for determined periods.

23. REPORTING AND PERFORMANCE MANAGEMENT

- (1) The Chief Financial Officer shall report monthly to the Municipal Manager in a suitable format to enable the Municipal Manager to report to the Executive Committee as supervisory authority in terms of section 99 of the Systems Act, read with section 100(c).
- (2) The Executive Committee as Supervisory Authority shall, at intervals of three (3) months, report to Council as contemplated in section 99(c) of the Systems Act.
- (3) This report shall contain particulars on cash collection statistics, showing high-level debt recovery information (numbers of customers; enquires; arrangements; default arrangements; growth or reduction of arrear debt).
- (4) Where possible, the statistics should ideally be divided into wards, business (commerce and industry), domestic, state, institutional and other such divisions.
- (5) If in the opinion of the Chief Financial Officer, the municipality will not achieve cash receipt income equivalent of the income projected in the annual budget as approved by Council, the Chief Financial Officer will report this with motivation to the Municipal Manager who will, if in agreement with the Chief Financial Officer, immediately move for a revision of the budget according to realistically realisable income levels.

24. INCOME COLLECTION TARGET

- (1) Income collection targets will be set by the Chief Financial Officer to achieve the optimum debt collection ratio i.e. receipt / billing, that will satisfy the municipalities IDP objectives.

25. PROPERTY MANAGEMENT LEASES

- (1) The procedure for the recovery of arrears on leases will be in accordance with the conditions contained in the relevant lease contract.

26. TEMPORARY WORKERS

- (1) Where the municipality provides temporary employment to members of the community who are in arrears with payments for municipal rates and services they will be required to enter an agreement to pay 20% of their gross remuneration towards these arrears of debt.

27. PROVISION FOR BAD DEBT

- (1) The provision for bad debt is based on the likelihood of non-payment. In order to determine this likelihood of payment or not, each debtor needs to be evaluated separately and categorised based on the degree of payment expectancy.
- (2) The evaluation of a debtor is firstly based on payment history, prior to the effective date of provision and secondly on the payment history during the period immediately after the effective date of provision.
- (3) The evaluation process is discussed below:-

(a) Historical review

- i. Likely payers - All debtors, regardless of age or amount, who have made payments during each of the three payment periods/months prior to the effective date of provision, will be categorised as **debtors likely to pay** and no provision for bad debts will be made on these accounts.
- ii. Possible payers – All debtors, regardless of age or amount, who have made at least one payment within the three payment periods/months prior to the effective date of provision, will be categorised as **possible payers** and no provision for bad debts will be made on these accounts.

- iii. Likely not to pay – All debtors, regardless of age or amount, who have not made any payments during any of the three payment periods/months prior to the effective date of provision, will be categorised as **debtors unlikely to pay** and the full amount of the outstanding debt will be provided under the provision for bad debts.

(b) Current review

- i. Likely payers – All debtors, regardless of the categorisation under the historical review, who have made payments during each of the payment periods/months after the effective date of provision, will be categorised as **debtors likely to pay** and no provision for bad debts will be made on these accounts.
- ii. Possible payers – All debtors previously categorised under A or B, who has made payments during any of the payment periods/months after the effective date of provision, will be categorised as **possible payers** and no provision for bad debts will be made on these accounts.
- iii. Likely not to pay (1) – All debtors previously categorised under C, who have not made payments during each of the payment periods/months after the effective date of provision, will still be categorised as **debtors unlikely to pay** and the full amount outstanding on their accounts will be provided under the provision for bad debts.
- iv. Likely not to pay (2) –All debtors previously categorised under A or B, who has made no payments during any of the payment periods/months after the effective date of provision, will also be categorised as **debtors unlikely to pay** and the full amount outstanding on their accounts will be provided under the provision for bad debts.

28. PUBLICATION OF POLICY

- (1) The Municipal Manager shall, within 14 days from the date of adoption of this Policy by the Council, by public note draw the attention of the public to its broad contents and method of application.

29. APPLICATION OF THE POLICY

- (1) The Council reserves the right to differentiate between different categories of consumers, debtors, services or service standards when applying this Policy. The Council will on application of the credit control policy avoid discrimination as forbidden by the Constitution unless it is established that the discrimination is fair as allowed by the Constitution.

30. IMPLEMENTATION AND REVIEW OF THIS POLICY

- (1) This policy shall be implemented once approved by Council. All future investments must be made in accordance with this policy.
- (2) In terms of section 17(1)(e) of the MFMA this policy must be reviewed on annual basis and the reviewed policy tabled to Council for approval as part of the budget process.

GREATER TUBATSE MUNICIPALITY

TARRIFS 2009/10

ASSESSMENT RATES		2008/09 c/R	2009/10 c/R 5% increase	2010/11 c/R 10% increase	2011/12 c/R 10% increase
Burgersfort Steelpoort Ohrigstad Ga-Mapodile Tubatse Mecklenburg					
Residential 1		0,65c/R	0.715c/R	0.7507c/R	0.864c/R
Indigent family & child headed family (If qualify in terms of Rates Policy a rebate of)		100%	100%	100%	100%
Pensioners (If qualify in terms of the Rates Policy a rebate of)		40%	40%	40%	40%
Residential 2		0,65c/R	0.6825c/R	0.7507c/R	0.864c/R
Residential 3		0,65c/R	0.6825c/R	0.7507c/R	0.864c/R
Agricultural / Businesses non urban land (If qualify in terms of the Rates Policy)Sliding Scale		0.735c/R	0.1706c/R	0.1876c/R	0.977c/R
Agricultural (Business portion)(No Sliding Scale)		1,312c/R	1,365c/R	1.5015c/R	1.738c/R
Farms with mining 1		2,6c/R	2,73c/R	3,14c/R	3,454c/R
Business		1,3c/R	1,365c/R	1,5015c/R	1,727c/R
Industrial		1,3c/R	1,365c/R	1,5015c/R	1,727c/R
Illegal Usage		2,6c/R	2,73c/R	3,00c/R	3,454c/R
Municipal Properties		Exempted	Exempted	Exempted	Exempted
Municipal Infrastructure		Exempted	0.1706c/R	0.1876c/R	0.2063c/R
Public Worship (Churches)		Exempted	Exempted	Exempted	Exempted
Government:Farms		0.735c/R	0.1706c/R	0.1876c/R	0.2063c/R
Government : Farms With Mining 1		2,6c/R	2,73c/R	3,14c/R	3,454c/R
Government: Residential		0.65c/R	0.6825c/R	0.7507c/R	0.8257c/R
Government: Public Institutions		1,3c/R	1,365c/R	1,5015c/R	1,6516c/R
Public Health Care Institution (as defined in policy a rebate of)		50%	50%	50%	50%
Independent Schools (as defined in policy a rebate of)		50%	50%	50%	50%
Rebates during phase in period		0%	0%	0%	0%
Other	Issue of Memorandum for Transport of Properties	R 20.00	R 21.00	R 23.10	R 25.41
	Issue of Clearance Certificate	R 80.00	R 84.00	R 92.40	R 101.64
	Issue Of Valuation Certificate	R 80.00	R 84.00	R 92.40	R 101.64
	Issue of Valuation Roll	R 500.00	R 525.00	R 577.50	R 635.25

All tariffs are VAT exclusive

GREATER TUBATSE MUNICIPALITY

TARRIFS 2009/10

Water		2008/09 10% increase	2009/10 10% increase	2010/11 10% increase	2011/12 10% increase
1. Water Consumption					
Indigent Persons	0kl - 6kl	Free	Free	Free	Free
Residential	0kl - 6kl	R 4.77	R 5.25	R 5.77	R 6.35
Schools	7kl - 30kl	R 5.30	R 5.83	R 6.41	R 7.05
Churches	31kl - 50kl	R 6.36	R 7.00	R 7.70	R 8.47
Government Institutions	51kl & above	R 6.89	R 7.00	R 7.70	R 8.47
Business Area	0kl - 100kl	R 7.00	R 7.70	R 8.47	R 8.98
	101kl - 250kl	R 7.00	R 7.70	R 8.47	R 8.98
	250kl - 500kl	R 7.00	R 7.70	R 8.47	R 8.98
	501kl & above	R 7.00	R 7.70	R 8.47	R 8.98
Tankers	Per kiloliter	R 5.30	R 5.83	R 6.41	R 6.80
Praktiseer	0kl - 6kl	R 4.77	R 5.25	R 5.77	R 6.12
	7kl - 30kl	R 5.30	R 5.83	R 6.41	R 6.80
	31kl - 50kl	R 6.36	R 7.00	R 7.70	R 8.16
	51kl & above	R 6.89	R 7.00	R 7.70	R 8.16
GA Mapodile	0kl - 6kl	R 4.77	R 5.25	R 5.77	R 6.12
	7kl - 30kl	R 5.30	R 5.83	R 6.41	R 6.80
	31kl - 50kl	R 6.36	R 7.00	R 7.70	R 8.16
	51kl & above	R 6.89	R 7.00	R 7.70	R 8.16
2. Other Water Tariffs		2008/09	2009/10 10% increase	2010/11 10% increase	2011/12 10% increase
Illegal consumption (Once of Levy)	Pipes 12mm to 40 mm	R 1,100.00	R 1,210.00	R 1,331.00	R 1,464.10
	Pipes 50mm to 90 mm	R 2,200.00	R 2,420.00	R 2,662.00	R 2,928.20
Meter Connections (households)	Connections 20 mm	R 1,210.00	R 1,331.00	R 1,464.10	R 1,610.51
	Connections 25 mm	R 2,414.00	R 2,655.40	R 2,920.94	R 3,213.03
Pre paid Meters	House connections	R 1,045.00	R 1,149.50	cost plus 10%	cost plus 10%
Other Connections Household excluded	40mm	R 7,150.00	R 7,865.00	cost plus 10%	cost plus 10%
	50mm	R 11,165.00	R 12,281.50	cost plus 10%	cost plus 10%
	80mm	R 12,659.00	R 13,924.90	cost plus 10%	cost plus 10%
	100mm	R 22,550.00	R 24,805.00	cost plus 10%	cost plus 10%
	More than 100mm	cost plus 10%			
Water Deposit (Residential)	Amended every year	R 550.00	R 605.00	R 665.50	R 732.05
Water Deposit (Business)	Opening deposit but will be amended to 2 times consumption	R 550.00	R 605.00	R 665.50	R 732.05
New water service applications		R 44.00	R 48.40	R 53.24	R 58.56
Water Disconnection/Restriction		R 350.00	R 385.00	R 423.50	R 465.85
Water Reconnection		R 100.00	R 110.00	R 121.00	R 133.10
Interest on outstanding amounts more than 30 days		Prime plus 1%	Prime plus 1%	Prime plus 1%	Prime plus 1%

All tariffs are VAT exclusive

GREATER TUBATSE MUNICIPALITY

TARRIFS 2009/10

SEWERAGE			2008/09	2009/10 10% increase	2010/11 10% increase	2011/12 10% increase
Indigent People	See policy		Free	Free	Free	Free
Residential Stands						
Residential Stands	0 to 500 sqm	per stand	R 60.00	R 66.00	R 72.60	R 79.86
Size of the stand	501 and more	per stand	R 90.00	R 99.00	R 108.90	R 119.79
Residential 2 & 3 Stands	Per unit/flat	per unit /flat	R 60.00	R 66.00	R 72.60	R 79.86
Business Stands						
Business Stands	Minimum charge <1000sqm		R 160.00	R 176.00	R 193.60	R 212.96
	Greater than 1000sqm (per additional 1000sqm)	per size of building	R 200.00	R 220.00	R 242.00	R 266.20
Government Prop.	Minimum charge <1000sqm		R 160.00	R 176.00	R 193.60	R 212.96
Businesses and Industrial	Greater than 1000sqm (per additional 1000sqm)	per size of building	R 200.00	R 220.00	R 242.00	R 266.20
Churches						
Churches	Fix charge		R 150.00	R 165.00	R 181.50	R 199.65
Schools						
Schools		Per student	R 2.50	R 2.75	R 3.03	R 3.33
Government and Municipal	Minimum charge stands <1000sqm		R 160.00	R 176.00	R 193.60	R 212.96
	Greater than 1000sqm (per additional 1000sqm)		R 90.00	R 99.00	R 108.90	R 119.79
Other	Domestic effluent by private tanker per kilolitre		R 18.92	R 20.81	R 22.89	R 25.18
	Domestic effluent by drum of 210 litres		R 4.73	R 5.20	R 5.72	R 6.30
	Trade effluent from inside the jurisdiction per tanker		R 341.00	R 375.10	R 412.61	R 453.87
	Trade effluent from outside the jurisdiction per tanker		R 513.70	R 565.07	R 621.58	R 683.73
	100 mm nominal diameter connection		R 4,730.00	R 5,203.00	R 5,723.30	R 6,295.63
	150 mm nominal diameter connection		R 5,544.00	R 6,098.40	R 6,708.24	R 7,379.06
	Inspection of connections		R 220.00	R 242.00	R 266.20	R 292.82
Interest on outstanding amounts more than 30 days			Prime plus 1%	Prime plus 1%	Prime plus 1%	Prime plus 1%

All tariffs are VAT exclusive

BULK CONTRIBUTIONS			2008/09	2009/10 10% increase	2010/11 10% increase	2011/12 10% increase
Bulk Contribution per unit (Residential)	Sewerage		R 5,700	R 8,500	R 9,350	R 10,285
	Water		R 5,700	R 8,500	R 9,350	R 10,285
	Roads & Streetlights		R 6,600	R 10,000	R 11,000	R 12,100
	Total		R 18,000	R 27,000	R 29,700	R 32,670
Bulk Contribution per unit (Business)	Sewerage		R 11,400	R 17,000	R 18,700	R 20,570
	Water		R 11,400	R 17,000	R 18,700	R 20,570
	Roads & Streetlights		R 13,200	R 20,000	R 22,000	R 24,200
	Total		R 36,000	R 54,000	R 59,400	R 65,340
Interest on outstanding amounts more than 30 days			Prime plus 1%	Prime plus 1%	Prime plus 1%	Prime plus 1%

All tariffs are VAT exclusive

GREATER TUBATSE MUNICIPALITY

TARRIFS 2009/10

REFUSE			2008/09	2009/10 10% increase	2010/11 10% increase	2011/12 10% increase
Indigent People	Income per household less than two times the social grant					
	month or as amended by Council		Free	Free	Free	Free
URBAN TOWNS						
Schools						
Churches Welfare						
Residential 1 Stands	Stand (0 to 500 sqm)	Per stand	R 70.00	R 77.00	R 84.70	R 93.17
(Size of the stand)	Stand(501 and more)	Per stand	R 100.00	R 110.00	R 121.00	R 133.10
Residential 2 & 3 Stands	Per unit/flat		R 70.00	R 77.00	R 84.70	R 93.17
Businesses	0 to 1000 sqm	per size of building	R 100.00	R 110.00	R 121.00	R 133.10
Industries	1001 and more per additional 1000sqm	per size of building	R 100.00	R 110.00	R 121.00	R 133.10
Containers	Per container once a week		R 850.00	R 935.00	R 1,028.50	R 1,131.35
	Per container twice a week		R 1,700.00	R 1,870.00	R 2,057.00	R 2,262.70
	Per container three times a week		R 2,550.00	R 2,805.00	R 3,085.50	R 3,394.05
	Per container five times per week		R 4,250.00	R 4,675.00	R 5,142.50	R 5,656.75
TOWNSHIPS	Stand (0 to 500 sqm)	Per stand	R 70.00	R 77.00	R 84.70	R 93.17
Residential	Stand(501 and more)	Per stand	R 100.00	R 110.00	R 121.00	R 133.10
Businesses	0 to 1000 sqm	per size of building	100	R 110.00	R 121.00	R 133.10
(Size of Building)	1001 and more per additional 1000sqm	per size of building	100	R 110.00	R 121.00	R 133.10
Government Prop &	0 to 1000 sqm	per size of building	R 70.00	R 77.00	R 84.70	R 93.17
Schools(size of Building).	1001 and more per additional 1000sqm	per size of building	R 100.00	R 110.00	R 121.00	R 133.10
Churches	Fix charge			R 150.00	R 165.00	R 181.50
OTHER						
Disposal at	Maximum pay- load of vehicle less than 750kg		Free	Free	Free	Free
Landfill site	More than 750kg as indicated on tarra info of the vehicle	per ton	R 121.00	R 133.10	R 146.41	R 161.05
(garden refuse)	Non household refuse	per ton	R 121.00	R 121.00	R 133.00	R 146.00
Cleaning of	Per square meter for cutting only		R 2.75	R 3.03	R 3.33	R 3.66
Vacant Stands	Per square meter for removing the cuttings		R 1.10	R 1.21	R 1.33	R 1.46
Purchase of Refuse Bin			Cost plus 10%	Cost plus 10%	Cost plus 10%	Cost plus 10%
Interest on outstanding amounts more than 30 days			Prime plus 1%	Prime plus 1%	Prime plus 1%	Prime plus 1%

All tariffs are VAT exclusive

GREATER TUBATSE MUNICIPALITY

TARRIFS 2009/10

CEMETRIES		2008/09	2009/10 10% increase	2010/11 10% increase	2011/12 10% increase
Ohrigstad(Residents)		R 423.50	R 465.85	R 512.44	R 563.68
Ohrigstad(Non -Residents)		R 605.00	R 665.50	R 732.05	R 805.26
Burgersfort(Residents)		R 423.50	R 465.85	R 512.44	R 563.68
Burgersfort(Non-Residents)		R 605.00	R 665.50	R 732.05	R 805.26
Ga-Mapodile(Residents)		R 302.50	R 332.75	R 366.03	R 402.63
Ga-Mapodile(Non-Residents)		R 423.50	R 465.85	R 512.44	R 563.68
Praktiseer(Residents)		R 302.50	R 332.75	R 366.03	R 402.63
Praktiseer(Non -Residents)		R 423.50	R 465.85	R 512.44	R 563.68
Residents of Steelpoort if buried in any of the other cemetries will be treaded as residents					

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LIBRARIES		2008/09	2009/10 10% increase	2010/11 10% increase	2011/12 10% increase
Membership Fees per year	Scholars	R 49.50	R 54.45	R 59.90	R 65.88
	Students	R 77.00	R 84.70	R 93.17	R 102.49
	Other	R 132.00	R 145.20	R 159.72	R 175.69
	Household	R 130.00	R 143.00	R 157.30	R 173.03
	Institutional	R 150.00	R 165.00	R 181.50	R 199.65
	Renewal of membership	R 27.50	R 30.25	R 33.28	R 36.60
Photocopies (per page - all sizes)		R 3.30	R 3.63	R 3.99	R 4.39

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GREATER TUBATSE MUNICIPALITY

TARRIFS 2009/10

BILLBOARDS TARRIFS ACCORDING TO COUNCIL POLICY		2008/09	2009/10 10% increase	2010/11 10% increase	2011/12 10% increase
1	Application Fees: 3rd Party Billboards<= 18sqm	Rural Areas	R 1,000.00	R 1,100.00	R 1,210.00
		Urban Areas	R 2,000.00	R 2,200.00	R 2,420.00
2	Application Fees : 3rd Party Billboards>=18-40sqm	Rural Areas	R 2,500.00	R 2,750.00	R 3,025.00
		Urban Areas	R 3,500.00	R 3,850.00	R 4,235.00
3	Application Fees : 3rd Party Billboards>=40sqm	Rural Areas	R 3,500.00	R 3,850.00	R 4,235.00
		Urban Areas	R 5,000.00	R 5,500.00	R 6,050.00
4	Application Fee:Separate loose standing on -premises signs (not on formal structures provided by GTM)	Rural Areas	R 200.00	R 220.00	R 242.00
		Urban Areas	R 400.00	R 440.00	R 484.00
5	Application Fee Banners and Flags (per banner or flag)	R 50.00	R 55.00	R 60.50	R 66.55
		R -			
6	Application Fee :Any other signs	R 100.00	R 110.00	R 121.00	R 133.10
		R -			
7	Estate Agent Registration Fee/annum for display of ' on show ' boards	R 500.00	R 550.00	R 605.00	R 665.50
		R -		R -	R -
8	Content renewal fee (for third party signage)	R 100.00	R 110.00	R 121.00	R 133.10
		R -			
9	Administration Fee: Seizing and Confiscation of signs (excluding removal/dismantling costs,excluding any fines or penalties)	R -			
	Billboards --- any size	R 1,000.00	R 1,100.00	R 1,210.00	R 1,331.00
	Any other signs such as estate agent boards,posters,on-premises signs etc(per sign)	R 200.00	R 220.00	R 242.00	R 266.20
10	Licence fee/annum:Approved 3rd party billboards<=18sqm	per annum	R 500.00	R 550.00	R 605.00
11	Licence fee/annum:Approved 3rd party billboards>18<40sqm	per annum	R 700.00	R 770.00	R 847.00
12	Licence fee/annum:Approved 3rd party billboards>40sqm	per annum	R 1,000.00	R 1,100.00	R 1,210.00
13	3rd Party Banners and Flags:Licence Fee /week/banner or flag	per week	R 200.00	R 220.00	R 242.00
14	Trailer advertising: Application or Licence Fee per annum per trailer(each trailer should have an approval Nr)	1000	R 1,100.00	R 1,210.00	R 1,331.00
	Daily Fee to advertise	100	R 110.00	R 121.00	R 133.10
<p>Note Building plan approval fees for approval of the structure, building line relaxation fees and height relaxation fees can also be charged</p> <p>Above fees do not cover for advertisements put out on tender by Council and awarded under a fixed contract such as illuminated street name advertisements,litter bins;suburban name signs, bus shelter signage,billboards on Municipal Land ,etc.</p> <p>These tariffs will be annually reviewed and published by Council</p>					

All tariffs are VAT exclusive

GREATER TUBATSE MUNICIPALITY

TARRIFS 2009/10

BUILDING PLAN FEES				2008/09	2009/10 10% increase	2010/11 10% increase	2011/12 10% increase
1	New buildings:- a) up to 150m ²			R1-38/m ²	R2-70 /m ² Straight	R2-97 /m ² Straight	R3-26 /m ² Straight
	New buildings:-b) on balance above 150m ²			R1-43/m ²			
	Minimum payable			R 110.00	R 180.00	R 198.00	R 217.80
2	Additions to existing buildings			Same as nr1	Same as nr1	Same as above	Same as nr1
3	Alterations to or inside existing building			R2-20/R200-00 or part thereof	R2-70/m ²	R2-97/m ²	R3-26/m ²
	Minimum payable			Non existing	R 180.00	R198-00	R 217.80
4	Amended plans/Redesign/new proposal (after submission)			Non existing	R2-70/m ²	R2-97/m ²	R3-26/m ²
	Minimum payable			Non existing	R 180.00	R 198.00	R 217.80
5	Engineers design/Concrete slabs/structures/Timber structures			R0-11m ²	R1-65/m ²	R1-82/m ²	R2-00/m ²
	Minimum payable			Non existing	R 180.00	R 198.00	R 217.80
6	Engineers design/Steel structures			R0-11m ²	R1-65/m ²	R1-82/m ²	R2-00/m ²
	Minimum payable			Non existing	R 180.00	R 198.00	R 217.80
7	Sewage/drainage plan			R16-50/50m ² or part thereof	R1-65/m ²	R1-82/m ²	R2-00/m ²
	Minimum payable			R 93.50	R 180.00	R 198.00	R 217.80
8	Renewal of plans within one yaer after lapsing (approval of plans lapses 12 months after approval)			Non existing	50% of calculated fees.	50% of calculated fees.	50% of calculated fees.
	Minimum payable			Non existing	R 90.00	R 99.00	R 108.00
9	Renewal of plans within two yaers after lapsing (approval of plans lapses 12 months after approval)			Non existing	100% of calculated fees	100% of calculated fees	100% of calculated fees
	Minimum payable			Non existing	R 180.00	R 198.00	R 217.80
10	Preliminary Sketch plans			Non existing	50% of calculated fees.	50% of calculated fees.	50% of calculated fees.
	Minimum payable			Non existing	R 90.00	R 99.00	R 108.00
11	Government plans (Not to be approved/disapproved) only for information			zero	zero	zero	zero
	Minimum payable			zero	zero	zero	zero
12	Local Athority plans. To be approved/disapproved as all other plans			zero	zero	zero	zero
	Minimum payable			zero	zero	zero	zero
13	Low Cost housing plans. To be approved/disapproved as all other plans			zero	zero	zero	zero
	Minimum payable			zero	zero	zero	zero
14	Application to commence construction of building prior to approval of plans (section 7(6) of NBR			Non existing	R3-50/m ²	R3-85/m ²	R4-23/m ²
	Minimum payable			Non existing	R 400.00	R 440.00	R 484.00
15	Application for consent to occupy before occupation certificate is issued. (Section 14[1A]			Non existing	R1-80/m ²	R1-98/m ²	R2-17/m ²
	Minimum payable			Non existing	R 400.00	R 440.00	R 484.00
16	Demolition Permit			Non existing			
				Non existing	R 400.00	R 440.00	R 484.00
17	Swimming pool			Per application	R 200.00	R 220.00	R 242.00
18	Minor building works (Section 13 of NBR)			Per item	R 200.00	R 220.00	R 242.00
19	Reroofing.			Per item	R 200.00	R 220.00	R 242.00
20	Fuel pumps, Fuel storage, Tanks and Gas installations			Per application	R 650.00	R 715.00	R 786.50
21	Installation of Masts:-	Ground based	Per application	Non existing	R 650.00	R 715.00	R 786.50
		Roof top based	Per application	Non existing	R 650.00	R 715.00	R 786.50
21	Installation of Masts:-	Ground based	Per application	Non existing	R 650.00	R 715.00	R 786.50
		Roof top based	Per application	Non existing	R 650.00	R 715.00	R 786.50
22	Freestanding walls/boundary				R 200.00	R 220.00	R 242.00
23	Occupation certificate			10	R 80.00	R 88.00	R 96.80
24	Building plans submitted in informal settlements			Per application	R 180.00	R 198.00	R 217.80
25	Sidewalk deposit/Guarantee:	Developed sidewalks		Non existing	R85-00/m ²	R93.50-00/m ²	R102.85/m ²
		Landscaped sidewalks		Non existing	R65-00/m ²	R71-50/m ²	R78.65/m ²

GREATER TUBATSE MUNICIPALITY

TARRIFS 2009/10

BUILDING PLAN FEES (continue)				2008/09	2009/10 10% increase	2010/11 10% increase	2011/12 10% increase
26	Sidewalk Rentals:-	0m² to 50m²	Per m² per week	R 7.50	R 8.25	R 9.08	R 9.98
		51m² to 100m²	Per m² per week	R 7.00	R 7.70	R 8.47	R 9.32
		101m² to 150m²	Per m² per week	R 6.50	R 7.15	R 7.87	R 8.65
		151m² to 200m²	Per m² per week	R 6.00	R 6.60	R 7.26	R 7.99
		201m² and more	Per m² per week	R 5.50	R 6.05	R 6.66	R 7.32
27	Billboards and other high impacting freestanding signs:-						
		Electronic billboards		R 2,500.00	R 2,750.00	R 3,025.00	R 3,327.50
		Large billboards		R 5,500.00	R 6,050.00	R 6,655.00	R 7,320.50
		Small billboard and tower structure		R 5,500.00	R 6,050.00	R 6,655.00	R 7,320.50
28	General signs and temporary signs						
		Banner per 2 week period	Per banner	R 300.00	R 330.00	R 363.00	R 399.30
		Flag on electrical pole per 2 week period	Per pole	R 200.00	R 220.00	R 242.00	R 266.20
		Registration fee, estate agent's temporary direction indicator	Registration fee	R 3,000.00	R 3,300.00	R 3,630.00	R 3,993.00
		Advertisement of sale of goods or livestock	Per poster	R 30.00	R 33.00	R 36.30	R 39.93
		Auction poster	Per poster	R 30.00	R 33.00	R 36.30	R 39.93
		Functions and events poster	Per poster	R 30.00	R 33.00	R 36.30	R 39.93
		Election poster	Per political party	R 5,000.00	R 5,500.00	R 6,050.00	R 6,655.00
29	Signs on buildings, structures and premises						
		Roof signs	Per sign	R 550.00	R 605.00	R 665.50	R 732.05
		Development advertisement	Per sign	R 550.00	R 605.00	R 665.50	R 732.05
		On-premises business advertising, egfreestanding	Per sign	R 550.00	R 605.00	R 665.50	R 732.05
		Tower, bridge and pylon advertisement	Per sign	R 550.00	R 605.00	R 665.50	R 732.05
		Advertisement at educational institution	Per sign	R 550.00	R 605.00	R 665.50	R 732.05
		Tourism sign	Per sign	R 550.00	R 605.00	R 665.50	R 732.05
		Service facility advertisement	Per sign	R 550.00	R 605.00	R 665.50	R 732.05
30	Municipal costs						
		Sign removal fee. (freestanding sign)	Per sign	R 350.00	R 385.00	R 423.50	R 465.85
		Sign removal fee. (fixed sign)	Per sign	R 550.00	R 605.00	R 665.50	R 732.05
		Poundage fee per week	Per sign	R 350.00	R 385.00	R 423.50	R 465.85

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GREATER TUBATSE MUNICIPALITY

TARRIFS 2009/10

APPLICATIONS FEES IN TERMS OF THE TOWN PANNING &TOWNSHIPS ORDINANCE NO 15 OF 1986		2008/09	2009/10 10% increase	2010/11 10% increase	2011/12 10% increase
Application Type	Section 96 (Township Establishment)		R 3,000.00	R 3,300.00	R 3,630.00
	Section 99 (Phasing)		R 2,000.00	R 2,200.00	R 2,420.00
	Section 96(4) Substantial change of Township		R 2,000.00	R 2,200.00	R 2,420.00
	Section 100 (Consent to amendment of documents)		R 2,000.00	R 2,200.00	R 2,420.00
	Section 88 (Extension of boundaries)		R 2,000.00	R 2,200.00	R 2,420.00
	Section 125 (Amendment scheme/incorporation of Township into Town Planning Scheme		R 500.00	R 550.00	R 605.00
	Section 56 (Amendment of Town Planning scheme)		R 1,000.00	R 1,100.00	R 1,210.00
	Substantial Amendment of Section 56 or 125 applications		R 1,000.00	R 1,100.00	R 1,210.00
	Section 62 &63 (including revoking of a provision in an approved scheme or revoking the scheme		R 1,000.00	R 1,100.00	R 1,210.00
	Section 92(1)(a) (Subdivision of a Property)		R 600.00	R 660.00	R 726.00
	Section 92(1)(b) (Consolidation of Properties)		R 600.00	R 660.00	R 726.00
	Section 92(4) (a) &(b) (Amendment of subdivision /consolidation of plan or condition of approval or cancellation of approval		No cost		
	Applications in terms of the Greater Tubatse Land Use Scheme 2006				
	Clause 21(special consent)		R 600.00	R 660.00	R 726.00
	Clause 22 (Written consent)		R 1,000.00	R 1,100.00	R 1,210.00
	Relaxation of parking requirements		R 2,000.00	R 2,200.00	R 2,420.00
	Site development plan (SDP)		R 800.00	R 880.00	R 968.00
	Site development plan (SDP) if application includes relaxation of building line		R 1,000.00	R 1,100.00	R 1,210.00
Application in ters of Division of Land Ordinance 20 of 1986					
	Section 6(4) Division of land (farm land)		R 1,000.00	R 1,100.00	R 1,210.00
	Section 17 Amendment or deletion of a condition or conditions		R 1,000.00	R 1,100.00	R 1,210.00
Other	Zoning Certificate		R 30.00	R 33.00	R 36.30
	Notarial tie application		R 1,000.00	R 1,100.00	R 1,210.00
Application in terms of Local Government Ordinance No 17 of 1939					
	Section 67 (Street closure)(Permanent or partial)		R 600.00	R 660.00	R 726.00
	Section 68 (Park Closure)(permanent or partial)		R 600.00	R 660.00	R 726.00
Application in terms of Proclamation R188of 1988					
	Permission to Occupy(PTO)		R 100.00	R 110.00	R 121.00
	Business Rights		R 250.00	R 275.00	R 302.50
	Transfer of Ownership(Business)		R 250.00	R 275.00	R 302.50
	Other (Social Uses i.e. church,school,clinic etc)		R 100.00	R 110.00	R 121.00
Other Notes	No fee is payable for applications on Council Land only if Council is the developer or co-developer				
	No application fee is payable if application is linked to Government Tax Incentive Scheme				
	Application fees can only be refunded if processing has not been initiated. No partial refunds shall be considered				
	In all instances the responsibility is on the applicant to circulate the application to all external bodies				
	and to advertise the application as required by applicable statutes				
TARRIFFS FOR DOCUMENTS					
IDP/ Budget		R 275.00	R 302.50	R 332.75	R 366.03
Municipal Code (By laws and policies)		R 550.00	R 605.00	R 665.50	R 732.05
Photocopies (per page - all sizes)		R 3.00	R 3.00	R 3.00	R 3.00
Building plans		R 55.00	R 60.50	R 66.55	R 73.21

All tariffs are VAT exclusive

GREATER TUBATSE MUNICIPALITY

TARRIFS 2009/10

ADMISSION OF GUILT FOR THE CONTROL OF OUTDOOR ADVERTISING IN THE GREATER TUBATSE MUNICIPALITY MUNICIPAL AREA

ARTICLE	FINES	2008/09	2009/10 10% increase	2010/11 10% increase	2011/12 10% increase
4	Amenity and Decency.	R 1,000.00	R 1,100.00	R 1,210.00	R 1,331.00
5	Safety	R 1,000.00	R 1,100.00	R 1,210.00	R 1,331.00
6	Design and Construction	R 1,000.00	R 1,100.00	R 1,210.00	R 1,331.00
7	Maintenance	R 1,000.00	R 1,100.00	R 1,210.00	R 1,331.00
8	Position	R 1,000.00	R 1,100.00	R 1,210.00	R 1,331.00
9	Illumination	R 1,000.00	R 1,100.00	R 1,210.00	R 1,331.00

PART C

10	Electronic Billboards	R 1,500.00	R 1,650.00	R 1,815.00	R 1,996.50
11	Super Billboards	R 1,500.00	R 1,650.00	R 1,815.00	R 1,996.50
12	Large Billboards and custom made Billboard	R 1,500.00	R 1,650.00	R 1,815.00	R 1,996.50
13	Small Billboards and Tower Structures	R 1,500.00	R 1,650.00	R 1,815.00	R 1,996.50
14	Advertisements on Street Furniture	R 1,000.00	R 1,100.00	R 1,210.00	R 1,331.00
15	Banners	R 500.00	R 550.00	R 605.00	R 665.50
16	Flags	R 500.00	R 550.00	R 605.00	R 665.50
17	Suburban Advertisements	R 1,000.00	R 1,100.00	R 1,210.00	R 1,331.00
18	Estate Agent's Boards	R 500.00	R 550.00	R 605.00	R 665.50
19	Temporary Direction Indicators for Show Houses	R 500.00	R 550.00	R 605.00	R 665.50
20	Advertisements for the Sale of Goods and Livestock	R 500.00	R 550.00	R 605.00	R 665.50
21	Auction Posters	R 500.00	R 550.00	R 605.00	R 665.50
22	Posters	R 500.00	R 550.00	R 605.00	R 665.50
23	Project Boards	R 500.00	R 550.00	R 605.00	R 665.50
24	Development Advertisements	R 500.00	R 550.00	R 605.00	R 665.50
25	Construction Site Advertisements	R 500.00	R 550.00	R 605.00	R 665.50
26	Street name Advertisements	R 500.00	R 550.00	R 605.00	R 665.50
27	Security Advertisements	R 500.00	R 550.00	R 605.00	R 665.50
28	Product Replicas and Three Dimensional Advertisements	R 1,000.00	R 1,100.00	R 1,210.00	R 1,331.00
29	Sky Sign	R 1,500.00	R 1,650.00	R 1,815.00	R 1,996.50
30	Roof Sign	R 1,500.00	R 1,650.00	R 1,815.00	R 1,996.50
31	Flat Sign	R 1,500.00	R 1,650.00	R 1,815.00	R 1,996.50
32	Projecting Sign	R 1,000.00	R 1,100.00	R 1,210.00	R 1,331.00
33	Balcony or under warning Advertisements	R 500.00	R 550.00	R 605.00	R 665.50
34	Signs Pointed on Building, Boundary Walls and_Roofs	R 500.00	R 550.00	R 605.00	R 665.50
35	Window Signs	R 500.00	R 550.00	R 605.00	R 665.50
36	Forecourt Advertisements	R 500.00	R 550.00	R 605.00	R 665.50
37	Residential or Community Advertisements	R 500.00	R 550.00	R 605.00	R 665.50
38	On-Premises Business Advertisements	R 1,500.00	R 1,650.00	R 1,815.00	R 1,996.50
39	Tower Bridge and Pylon Advertisements	R 1,500.00	R 1,650.00	R 1,815.00	R 1,996.50
40	Advertisements for Sponsored Road Traffic Projects	R 1,000.00	R 1,100.00	R 1,210.00	R 1,331.00
41	Advertising for Educational Institutions	R 1,000.00	R 1,100.00	R 1,210.00	R 1,331.00
42	Service Facility Advertisements	R 1,500.00	R 1,650.00	R 1,815.00	R 1,996.50
43	Tourism Sign	R 500.00	R 550.00	R 605.00	R 665.50
44	Aerial Advertisements	R 1,500.00	R 1,650.00	R 1,815.00	R 1,996.50
45	Trailer Advertising	R 1,500.00	R 1,650.00	R 1,815.00	R 1,996.50
46	Pamphlets	R 500.00	R 550.00	R 605.00	R 665.50
47	Prohibited Signs	R 1,000.00	R 1,100.00	R 1,210.00	R 1,331.00

All tariffs are VAT exclusive

GREATER TUBATSE MUNICIPALITY

TARRIFS 2009/10

ADMISSION OF GUILT: NATIONAL BUILDING REGULATIONS AND STANDARDS ACT 103 /1977 A. ACT 103/1977

ARTICLE	FINES	2008/09	2009/10 10% increase	2010/11 10% increase	2011/12 10% increase
4	APPROVAL OF PLANS Erecting of a structure without approved plan	R 1,500.00	R 1,650.00	R 1,815.00	R 1,996.50
10	ERECTION OF BUILDING IN CERTAIN CIRCUMSTANCES SUBJECT TO PROHIBITION OR CONDITION Buildings not in the interest of good health or hygiene. Buildings unsightly or objectionable. Buildings be a nuisance to occupiers, of adjoining neighbouring properties.	R 500.00	R 550.00	R 605.00	R 665.50
12	DEMOLITION AND ALTERATION OF CERTAIN BUILDINGS Owner fail to comply to written notice from Local Authority to comply with the provisions of this section. If building is dilapidated or in a state of disrepair or show signs thereof; If a building or land on which a building was or being erected is dangerous or showing signs of becoming dangerous to life or property.	R 1,000.00	R 1,100.00	R 1,210.00	R 1,331.00
14	OCCUPY WITHOUT CERTIFICATE OF OCCUPANCY	R 1,500.00	R 1,650.00	R 1,815.00	R 1,996.50
15	HINDERS OR OBSTRUCT ANY AUTHORIZED PERSON TO ENTER A BUILDING OR LAND TO PERFORM DUTIES	R 500.00	R 550.00	R 605.00	R 665.50

B. REGULATIONS

ARTICLE	FINES	2008/09	2009/10 10% increase	2010/11 10% increase	2011/12 10% increase
A15	INSTALLATIONS /MAINTENANCE AND OPERATION Fail to ensure that any service installation provided in or in connection with a building be maintained in a safe and properly working condition.	R 300.00	R 330.00	R 363.00	R 399.30
A18	CONTROL OF PLUMBERS AND PLUMBING WORK Plumbing work done by untrained and unlicensed plumbers	R 300.00	R 330.00	R 363.00	R 399.30
A22	NOTICE TO COMMENCE ERECTION OR DEMOLISHING OF A BUILDING AND NOTICE OF INSPECTION Fail to request for inspection. Placing of concrete before inspection.	R 500.00	R 550.00	R 605.00	R 665.50
A25	GENERAL ENFORCEMENT Deviation from approved plan. Use of building for other purposes than shown on approved plan.	R 500.00	R 550.00	R 605.00	R 665.50
D4	SWIMMING POOLS Fail to ensure that access to a swimming pool is controlled.	R 250.00	R 275.00	R 302.50	R 332.75

GREATER TUBATSE MUNICIPALITY

TARRIFS 2009/10

ADMISSION OF GUILT: NATIONAL BUILDING REGULATIONS AND STANDARDS ACT 103 /1977 A. ACT 103/1977

B. REGULATIONS (continue)

ARTICLE	FINES	2008/09	2009/10 10% increase	2010/11 10% increase	2011/12 10% increase
F1	PROTECTION OF THE PUBLIC Fail to erect a fence hoarding or barricade to ensure public safety at the building site.	R 800.00	R 880.00	R 968.00	R 1,064.80
F6	CONTROL OF DUST AND NOISE Fail to take precaution to limit noise and dust during excavations, alterations or construction. Demolishing of buildings or constructing of a building. Working during prohibited periods.	R 500.00	R 550.00	R 605.00	R 665.50
F7	CUTTING INTO,LAYING OPEN AND DEMOLISH CERTAIN WORK Fail to supply proof that work is in accordance with regulations. Fail to cease construction in terms of this regulation.	R 500.00	R 550.00	R 605.00	R 665.50
F8	WASTE MATERIAL ON SITE Accumulating of excessive waste, rubbish or other debris on site during or after construction.	R 300.00	R 330.00	R 363.00	R 399.30
F9	CLEANING OF SITE Fail to remove surplus material or debris from site, or public Street after completion.	R 500.00	R 550.00	R 605.00	R 665.50
F10	BUILDER'S SHEDS Shed used or constructed in contravention of this regulation.	R 500.00	R 550.00	R 605.00	R 665.50
F11	SANITARY FACILITIES Fail to provide sanitary facilities for the workers.	R 250.00	R 275.00	R 302.50	R 332.75
P1	COMPULSORY DRAINAGE BUILDINGS No suitable disposal of waterborne sewerage.	R 1,000.00	R 1,100.00	R 1,210.00	R 1,331.00
P3	CONTROL OF OBJECTION-ABLE DISCHARGE Cause storm water to be discharge in sewer system. Cause sewerage to be discharged in storm water system.	R 500.00	R 550.00	R 605.00	R 665.50
P4	INDUSTRIAL EFFLUENT Discharge of industrial effluent in sewer system without Local Authority approval,	R 500.00	R 550.00	R 605.00	R 665.50
P5	DISCONNECTION Fail to seal drainage connection after disconnecting from drain.	R 250.00	R 275.00	R 302.50	R 332.75
P6	UNAUTHORISED DRAINAGE WORK Interfere with or illegal connecting of sewer.	R 200.00	R 220.00	R 242.00	R 266.20
P7	INSPECTION AND TESTING OF DRAINAGE AND INSTALLATION Fail to test drainage installation before put into use.	R 200.00	R 220.00	R 242.00	R 266.20
G1	EXCAVATION Fail to maintain excavation in safe condition and to take precautionary measures. Fail to obtain written authorisation of Local authority for excavations for more than 3 metres deep.	R 1,000.00	R 1,100.00	R 1,210.00	R 1,331.00
T2	FIRE PROTECTION Insufficient fire extinguisher. Fail to maintain and service fire extinguishers. Obstruction of emergency escape routes. Fail to comply to General requirement of Ti of this regulation.	R 800.00	R 880.00	R 968.00	R 1,064.80

All tariffs are VAT exclusive

GREATER TUBATSE MUNICIPALITY

ABBREVIATIONS

CFO	Chief Financial Officer
DBSA	Development Bank of South Africa
DLG & H	Department of Local Government and Housing - Limpopo Province
GAMAP	General Accepted Municipal Accounting Practices
GSDM	Greater Sekhukhune District Municipality
GTM	Greater Tubatse Municipality
IDP	Integrator Development Plan
IDT	Independent Development Trust
ISRDP	Integrated Sustainable Rural Development Programme
LED	Local Economic Development
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant
MTEF	Medium Term Expenditure Framework
PGDS	Provincial Growth And Development Strategy
SDBIP	Service Delivery Budget Implementation Plan